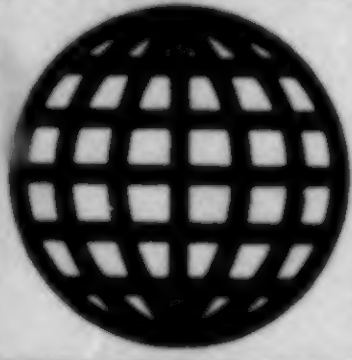




**FOREIGN
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Daily Report

East Asia

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Thursday
28 April 1994

Daily Report

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Japan

Plane Crash 'Temporarily' Resuscitates Cabinet

OW2604162694 Tokyo KYODO in English 1615 GMT
26 Apr 94

[Text] Tokyo, April 27 KYODO—The Hosokawa cabinet, which resigned en masse on Monday [25 April], was temporarily resuscitated Tuesday night to deal with issues surrounding the crash of a China Airlines jetliner at Nagoya Airport in which some 220 people died.

Setting aside the differences that have brought Japan's political machine in Tokyo to a virtual standstill, former Prime Minister Morihiro Hosokawa and his ex-cabinet ministers of different political stripes were busy contacting each other to keep abreast of developments in the air disaster.

At a hastily arranged emergency cabinet session, Transport Minister Shigeru Ito, of the Social Democratic Party [of Japan, SDPJ] (SDP), was appointed head of a special task force to oversee the government's handling of the plane crash, government officials said.

Ito and Home Affairs Minister Kanju Sato, also of the SDP, will arrive in Nagoya Airport early Wednesday by helicopter.

The SDP said early Tuesday it was quitting the post-Hosokawa coalition government of Prime Minister Tsutomu Hata due to the sudden formation by five parties of an intraparlimentary group of which it was not informed.

Masayoshi Takemura, chief cabinet secretary under the Hosokawa cabinet, was also involved in the China Airlines plane case, telling reporters, "politics is in an unusual stage, but we want to deal with (the issue) without delay."

Under the Japanese Constitution, the departing cabinet has the responsibility to handle major day-to-day operations until the incoming administration is fully in place.

Sakigake, Group Seibun Plan Parliamentary Front

OW2804002694 Tokyo KYODO in English 0021 GMT
28 Apr 94

[Text] Tokyo, April 28 KYODO—New party Sakigake and Group Seibun have agreed to form a joint parliamentary front, the two parties said Thursday. Sakigake leader Masayoshi Takemura, who was the chief cabinet secretary in the government of former Prime Minister Morihiro Hosokawa, will head the new group.

Sakigake controls 15 members in the 511-seat House of Representatives, while Group Seibun consists of three lower house members who quit Hosokawa's Japan New Party (JNP) in protest at his approach to the ruling coalition's core party Shinseito headed by new Prime Minister Tsutomu Hata.

Political sources said more JNP members may leave the party and join the Sakigake-Seibun front.

SDPJ, LDP Join Forces as Diet Opposition

OW2704064894 Tokyo KYODO in English 0639 GMT
27 Apr 94

[Text] Tokyo, April 27 KYODO—The Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ] and the Liberal Democratic Party (LDP) agreed on Wednesday to join forces with each other in the Diet to fulfill their duties as the two main opposition forces. The accord emerged at a meeting between SDP Diet affairs committee chairman Koken Nosaka and his LDP counterpart Sadatoshi Ozato.

Nosaka proposed that the SDP and the LDP hold such a gathering now that the SDP became an opposition force again after eight months in the ruling coalition, Ozato told a news conference.

While the LDP was in power for 38 years until last August, the SDP formed the core of the opposition camp.

The SDP decided on Tuesday to quit the governing alliance to protest other coalition partners' formation of a unified parliamentary group, named Kaishin (innovation). The party was the largest contingent in the coalition.

Nosaka and Ozato will meet again on Thursday morning to discuss how specifically the two parties can cooperate in handling political matters to be discussed in the current regular Diet session and beyond, Ozato said. Ozato added that the two men agreed to cooperate in order to resist "fascist" moves and protect parliamentary democracy.

The LDP Diet Affairs Committee chairman also noted the two parties may ask new party Sakigake, which had earlier decided to leave the coalition, to join their policy talks.

In a separate news conference, Nosaka said he and Ozato confirmed the need for "faith and trust" in their two parties' tie-up over Diet deliberations.

SDPJ Lawmaker on Ozawa's 'Contempt for Women'

OW2704091894 Tokyo KYODO in English 0904 GMT
27 Apr 94

[Text] Tokyo, April 27 KYODO—A female legislator of the Social Democratic Party (SDP) [of Japan—SDPJ] denounced the ruling coalition's top strategist, Ichiro Ozawa, on Wednesday for regarding women as a "mere tool of sex" in the wake of his quip on the creation of a new parliamentary bloc.

Tomiko Okazaki, chief of the SDP's intraparty panel on the promotion of civic and womens' rights, told a news conference that Ozawa's remarks on Monday to

reporters reflects "his contempt for women." Okazaki was responding to Ozawa's remark which defended Monday's abrupt move to create a unified parliamentary alliance in the House of Representatives, excluding the SDP, that led to the SDP's decision to quit the coalition.

Comparing the convergence of various political parties to an extramarital affair, Ozawa reportedly told reporters at the Diet building, "It does not matter which women you may sleep with."

"If the SDP felt jealous of the new alliance, they have only to come and join us. The SDP is putting up irrational resistance," he was quoted as saying.

Okazaki, reading from the SDP's press statement, said Ozawa's remark is full of "discrimination and prejudice as if he regarded women as a mere tool of sex." The remark "corresponds with the move to create the new parliamentary bloc that violated the rules of mutual respect and trust," she said.

The SDP pullout from the ruling coalition plunged Japan into political chaos, as it risks rendering the new administration of Prime Minister Tsutomu Hata a fragile minority government.

Former Chief Cabinet Secretary Mayumi Moriyama and Michiko Ishii, head of the women's section of the opposition Liberal Democratic Party (LDP), demanded that Ozawa apologize to the people for his remarks. Moriyama and Ishii, both House of Councillors members of the LDP, made the demand at a news conference.

Teiko Kihira, an independent upper house member, also issued a statement, which said Ozawa's comment is "shameful internationally."

LDP Urges Hata Take Blame for 'Chaos', Resign
OW2704114994 Tokyo KYODO in English 1142 GMT 27 Apr 94

[Text] Tokyo, April 27 KYODO—Japan's top opposition Liberal Democratic Party (LDP) urged newly elected Prime Minister Tsutomu Hata on Wednesday [27 April] to give up his premiership to take the blame for the current political chaos, Diet officials said. LDP President Yohei Kono made the demand in his meetings with House of Representatives Speaker Takako Doi and House of Councillors President Bunbei Hara, the officials said.

Kono made the plea to the Diet leaders "as the chiefs of the two chambers of the Diet that voted to confer the premiership" to Hata in Monday's key parliamentary vote, they said. On Monday the Diet voted to pick the successor to outgoing Prime Minister Morihiro Hosokawa.

The Diet chiefs told Kono they had already telephoned Hata, asking him to speed up the process of forming a new cabinet, the officials said. They told Hata his coalition government's failure to form a new cabinet, if it

is prolonged, would exert a negative impact on the livelihood of the people, they said.

They quoted Hata as replying that he is ready to make utmost efforts to speed up the cabinet formation.

The LDP intensified its pressure after the Hata administration was thrown into chaos following the announcement by the Social Democratic Party (SDP) [of Japan—SDPJ] that it will pull out of the coalition following the creation of a new parliamentary bloc in the lower chamber, excluding the SDP.

The SDP reacted sharply to the emergence of the new 130-legislator bloc, saying it was not consulted by its coalition partners beforehand and that the abrupt move represented a Shinseito [Japan Renewal Party]-led attempt to push it to the sidelines of government.

The SDP's withdrawal, unless it is reversed, would strip the Hata administration of its governing majority, rendering it as Japan's first minority government since 1955.

Emperor Akihito Appoints Hata Prime Minister

OW2804004094 Tokyo KYODO in English 0036 GMT 28 Apr 94

[Text] Tokyo, April 28 KYODO—Emperor Akihito appointed Tsutomu Hata prime minister of Japan in a Thursday [28 April] morning ceremony at the imperial palace, government officials said. The appointment formally made Hata prime minister of Japan.

Hata was named prime minister in elections in both houses of the Diet on Monday.

His appointment as prime minister was delayed, however, by political unrest sparked by the establishment of a large parliamentary coalition grouping that excluded the Social Democratic Party, which had been the biggest single party in the coalition. The SDP declared early Tuesday it had left the coalition.

Hata, head of the coalition's core party, Shinseito, will form his cabinet later Thursday, the officials said.

Hata Forms Cabinet; 'Fragile Minority' Viewed

OW2804074894 Tokyo KYODO in English 0712 GMT 28 Apr 94

[Text] Tokyo, April 28 KYODO—New Prime Minister Tsutomu Hata formed his cabinet on Thursday to govern Japan with a fragile minority government following the walkout of a key coalition ally.

The cabinet formation came after the Social Democratic Party (SDP) [of Japan—SDPJ] spurned Hata's eleventh hour bid to lure it back into the fold of the coalition following a fray over a new parliamentary bloc.

Newly appointed Chief Cabinet Secretary Hiroshi Kumagai announced the new cabinet lineup at a news conference.

Kumagai dismissed suggestions that the new cabinet is dominated by Shinseito [Japan Renewal Party], led by Hata, a core party in the coalition, while acknowledging that the new government faces difficulties due to the withdrawal of the SDP.

The SDP's withdrawal makes the coalition a minority force in both chambers of the Diet. The party had six cabinet posts in the eight-month-long administration of former Prime Minister Morihiro Hosokawa.

The strength of Shinseito shot up to nine portfolios from five in the previous cabinet, while Komeito [Clean Government Party] gained two more cabinet posts to six. The Democratic Socialist Party (DSP) increased its cabinet strength to two from one.

The pullout raises the specter of an early general election if the SDP throws its weight behind a possible LDP move to table a no-confidence motion against the Hata administration.

Hata, who was elected as premier by the Diet on Monday, was ceremonially appointed prime minister by Emperor Akihito earlier Thursday. He replaced Hosokawa, whose seven-party majority alliance last August ousted the Liberal Democratic Party (LDP) from 38 years of unbroken rule.

"We took pains in deciding upon the makeup of the new cabinet, because the SDP pulled out of the coalition," Kumagai of Shinseito said. "We followed the principle of appropriating cabinet posts to the most suitable personnel and I believe excellent people from each party have been nominated to the important cabinet posts," he said.

Koji Kakizawa of the Liberal Party, an LDP splinter party, became foreign minister, succeeding Hata.

Kakizawa told a new conference that of the urgent problems to be tackled, "Japan wants to improve Japan-U.S. economic relations, while playing a responsible part in cooperation with the United Nations to have North Korea clear up suspicions over its nuclear arms development."

Shinseito held key posts in the cabinet. Finance Minister Hirohisa Fujii retained his post. Mutsuki Kato assumed the post of agriculture, fishery and forestry minister, replacing Shinseito's Eijiro Hata, who was shifted to the post of minister of international trade and industry, succeeding Kumagai.

Hajime Ishii assumed the office of home affairs minister, while Shigeto Nagano assumed the office of justice minister, replacing Akira Mikazuki, a nonpolitician. Both are Shinseito members.

From Komeito, chairman Koshiro Ishida retained his portfolio as chief of the Management and Coordination Agency and Nobuyuki Futami assumed the transport portfolio, while Katsuyuki Hikasa took the office of posts and telecommunications minister. Koji Morimoto was appointed to the post of construction minister.

Health and Welfare Minister Keigo Ouchi, chairman of the Democratic Socialist Party (DSP), also kept his portfolio. Atsushi Kanda of the DSP was named the chief of the Defense Agency.

Kunio Hatoyama, an independent and LDP defector, assumed the post of labor minister.

Yoshio Terasawa, a House of Councillors member of Hosokawa's Japan New Party (JNP) and former vice president of Nomura Securities Co, was named to lead the Economic Planning Agency. The post was the only one the JNP could keep in the cabinet.

The new cabinet will be formally inaugurated following the attestation ceremony at the Imperial Agency in the presence of Emperor Akihiro.

In a meeting between Hata and SDP Chairman Tomiichi Murayama earlier in the day, Hata pleaded with Murayama to rescind a decision to pull out of the coalition, coalition officials said.

"I apologize for the latest development," Hata was quoted as telling Murayama. "It would be tragic if our joint efforts to create a new era with the formation of the eight-month coalition bogged down."

Murayama, emerging from the meeting with Hata, told reporters his party stuck to its decision to get out of the alliance. The determination "has remained unchanged," he said.

The SDP walked out from the ruling coalition Tuesday after being enraged by the abrupt establishment of a unified parliamentary bloc by conservative groups, but excluding the SDP.

The parliamentary strength of the coalition, now without the backing of the SDP, dropped to 182 members in the powerful 511-seat lower house—far short of the 256 seats needed for a majority.

The LDP, the primary opposition group, has 206 members, while the SDP has 74 and new party Sakigake, a party that belonged to Hosokawa's coalition but has now chosen to support the Hata administration from outside the cabinet, has 15 members.

Retains Deputy Chief Secretary

*OW2804094294 Tokyo KYODO in English 0911 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—New Prime Minister Tsutomu Hata on Thursday [28 April] retained Administrative Deputy Chief Cabinet Secretary Nobuo Ishihara, who has served for a record six years and five months, government officials said.

Ishihara, 67, now has worked for six consecutive administrations since the launch in November 1987 of a government under Prime Minister Noboru Takeshita of the Liberal Democratic Party, the officials said. Last April, he broke the record of long service at the post of the top administrative official.

Ishihara wanted to resign but Hata asked him to continue because the government has a lot to do, including Diet deliberations on the overdue state budget for fiscal 1994, which began April 1, and efforts to resume "framework" trade talks with the United States, they said.

Meanwhile, Hata named Naoto Kitamura, a House of Representatives member of Shinseito [Japan Renewal Party], to the post of parliamentary deputy chief cabinet secretary. Kitamura, 46, is known as a key aide to Ichiro Ozawa, the most powerful strategist of the ruling coalition.

Newly Appointed Officials Hold News Conferences

Chief Cabinet Secretary Questioned

OW2804104194 Tokyo NHK General Television Network in Japanese 0547 GMT 28 Apr 94

[Question-and-answer session by Chief Cabinet Secretary Hiroshi Kumagai with unidentified domestic reporters at the prime minister's official residence in Tokyo—live]

[Text] [Reporter] Well, now I would like to ask a question of the new chief cabinet minister. First of all, as for the new cabinet lineup—well, I will probably ask Prime Minister Tsutomu Hata about this later on—but it seems that you all have indicated that the new chief cabinet secretary should be chosen from Shinseito [Japan Renewal Party] and that you all consider yourselves to be loyal to Mr. Ichiro Ozawa. Well, in the former administration, there has been much said about the relationship between the prime minister and the chief cabinet secretary. This time, how do you intend to carry out your duties as chief cabinet secretary, which is a key post in the cabinet?

[Kumagai] Well, considering my own abilities, I feel I have been given a very tough job. Considering the current circumstances in which the new cabinet is being formed under a minority government, I am well aware of the importance of the job. I myself joined Shinseito under Mr. Hata, who is the head of the party. Even before then, I respected him highly, and I have learned very much under his guidance. It is an honor for me to be chosen to take on important duties as Prime Minister Hata's right-hand man. When it comes to becoming a chief cabinet minister, I, in having been a member of the previous cabinet, keenly believe that I must fulfill the important duties as the coordinator of the cabinet. Nevertheless, I now feel that I must do my utmost to bring about changes by having Hata politics reflected

heavily in the new administration's policies and by establishing harmony, even though the current situation is very tough.

[Reporter] It seems to have been suddenly decided ...at the post of state minister for political reform would be dropped in the formation of the latest cabinet. Have you been informed of the circumstances leading to this decision?

[Kumagai] Well, just as political reform was the task of the former administration, I feel it is necessary to keep the flame of political reform from going out. However, in reality, the actual process of carrying out reform will now be left in the hands of the home affairs minister and the Political Reform Council. The decision to drop the post does not at all mean that political reform issues will be neglected. It merely means that we have judged that the chariot of political reform can now be pulled by one horse rather than two.

[Reporter] I now would like to question you as chief cabinet secretary regarding your position as chief adviser on the formation of the cabinet. Looking at the new cabinet lineup, it seems that it has a lot of members from Shinseito. How do you feel about this?

[Kumagai] Well, this does not mean that Shinseito dominates the cabinet. Because the Social Democratic Party of Japan [SDPJ] has pulled out from the coalition alliance, I must frankly say that it was very difficult to come up with a new cabinet lineup. It was done in a manner in which the appropriate people were appointed to the appropriate posts. I feel that these people were picked from each party to fill important posts.

[Unidentified moderator] Go ahead if you have a question.

[Reporter] May I? There are some who feel strongly that the new administration will be shortlived because the ruling parties have become a minority. How do you, as chief cabinet secretary, feel about this?

[Kumagai] Well, frankly speaking, I feel that it was desirable to continue to spend more time trying to persuade the SDPJ to remain in the coalition to maintain a strong majority. On the other hand, however, as indicated by the recent airliner accident, conditions in the nation are continually changing. In particular, important issues such as the state of the domestic economy and Japanese-U.S. trade negotiations have been piling up, as a matter of fact. For the Japanese people, there must no longer be any more delay in conducting the affairs of government. We made our decision under such pressing circumstances. We now plan to make our utmost efforts in tackling the affairs of government, including the enactment of the budget bill. At the same time, however, we plan to continue to make sincere efforts to persuade the members of the SDPJ and other parties to join us in forming a strong majority coalition government. Next person; go ahead.

[Reporter] Glancing at the cabinet lineup, it seems that a majority of the cabinet ministers used to be members of the Liberal Democratic Party [LDP] only a year ago. This includes the prime minister himself. I feel that this is not very different from past LDP administrations. How do you feel about this?

Well, I do not think these people account for a majority of the new cabinet lineup, but this has happened because the SDPJ has left the coalition. However, everyone of them have, in a sense, staked their lives on political reform and acted in accordance. Therefore, even though they were formerly members of the LDP—I myself was one of them—we feel it is not correct to say the new lineup is not very different from past LDP administrations. Instead, we hope that each of them will serve their respective roles in helping to bring about reforms. Go ahead.

[Reporter] I would like to question you as a minister in charge of issues relating to women. Yesterday, Shinseito Secretary General Ichiro Ozawa told reporters in the Diet building that—although it is difficult for me to say this—regarding the issue of which parties should join forces, something to the effect that “it does not matter which women you sleep with.” That drew heavy criticism yesterday from female Diet members from a number of parties and [words indistinct]. How do you feel about this as a minister in charge of issues relating to women, and also as a fellow member of Shinseito?

[Kumagai] Frankly speaking, I do not have all the facts. I also want to refrain from making any remarks that might create a misunderstanding. Generally speaking, however, my job as minister in charge of issues relating to women implies establishing a society in which both men and women participate in cooperative planning. Speaking for all of us on the basis of our self-examination, we feel men and women are equal, and they should work together in harmony. Actually, I feel Japanese women nowadays have become much stronger than men in sports and other fields. In that sense, I feel comments should be made in line with the principle of equality between the sexes.

[Reporter] Do you not feel Ozawa's comments were inappropriate?

[Kumagai] Well, I do not know all the facts. To be honest with you, if I make any comment on his remarks, it would cause a misunderstanding. Generally speaking, men and women are equal.

[Reporter] The former Management and Coordination Agency director general has spoken of the dual structure of power. What will happen to the relationship between the cabinet, the ruling coalition parties, and the meeting of representatives of the ruling coalition parties?

[Kumagai] It goes without saying that the top leader of the cabinet is the prime minister, and I think the prime minister is the one who should make the final decision. Since Japan adopts the parliamentary government

system, the prime minister cannot be a dictator. Our ruling coalition parties have the process of seeking areas of agreement among them. I believe it is important for our ruling coalition parties to hold debates openly and heatedly. From that sense, our ruling coalition parties should seek a soul-searching when they need to do so. Before and after I joined Shinseito, I have acted according to principles and stated my view without hesitation.

[Reporter] Looking at the lineup of the Hata cabinet, unlike the Hosokawa cabinet that listed the position titles of its members like Koshiro Ishida, chairman of Komeito, and Keigo Ouchi, chairman of the Democratic Socialist Party, the Hata cabinet does not list their position titles, but lists only their parliamentary affiliations like members of the lower house or the upper house.

[Kumagai] That is not true. The Hata cabinet correctly lists their position titles like this [holds up several sheets of paper].

Kakizawa on 'Difficult Circumstances'

*OW2804100994 Tokyo NHK General Television
Network in Japanese 0613 GMT 28 Apr 94*

[News conference by newly appointed Foreign Minister Koji Kakizawa with unidentified domestic correspondents at the prime minister's official residence in Tokyo—live]

[Text] [unidentified official] Next we will have a news conference with newly appointed Foreign Minister Koji Kakizawa, chairman of the Liberal Party.

[Kakizawa] I am Koji Kakizawa, and I was just appointed foreign minister. Although our cabinet is a minority coalition government, it embarks under difficult circumstances. I will work hard to fulfill my duties while maintaining teamwork and assisting Prime Minister Hata.

The international situation is now undergoing profound changes, and there are many issues Japan is pressed to resolve. Japan has to repair soured relations with the United States and play a proper role in the Asia-Pacific region. Japan is also being asked to make broad-ranging contributions in various fields.

I intend to work for Japan's aggressive role in maintaining world peace and promoting world prosperity. Breaking the deadlock over Japan-U.S. economic relations is one of the urgent issues. I also think Japan should fulfill its responsibility to clear up suspicions about North Korea's development of nuclear weapons and should cooperate with activities of the international community and the United Nations.

Now that Japan's role in the international community is attracting world attention, I would like to make Japan a trustworthy and respectable country within the international community. At the same time, we should seek the

people's understanding and should assist Prime Minister Hata. I would like to solicit your cooperation.

[Unidentified correspondent] A major difference between Japan's foreign policy under the coalition government compared with that of the Liberal Democratic Party [LDP] is that the coalition government candidly admitted Japan's responsibility for the past war. The coalition government has also apologized to South Korea for Japan's colonial rule. Minister Kakizawa, you served as parliamentary vice foreign minister under former Foreign Minister Watanabe. What do you think of the admittance and apology made by the coalition government? How are you going to deal with Japan's war history?

[Kakizawa] In his policy speech to the Diet last August, former Prime Minister Hosokawa made a statement to that effect. With regard to Japan's acts of aggression against Asian nations and the pain the Koreans suffered under Japanese colonial rule, I share their pain and will do everything I can to address them, always keeping his statement in mind.

[Unidentified correspondent] Kakizawa, you said on 18 April that you intended to back Michio Watanabe as prime minister. It has been said you quit the LDP in order to make Watanabe prime minister. What do you think of Watanabe now? It has been said you have been asked along with other LDP members to break away from the party on the promise you would be appointed foreign minister. Would you answer?

[Kakizawa] Your question is totally groundless. I respect Watanabe as a politician in present political circles with profound perceptions and leadership. After Hosokawa announced his resignation as prime minister, I considered the need to rally politicians who share the same policies, forming a new cabinet that transcends the pro-LDP and anti-LDP framework. Forming such a cabinet will greatly serve to reconstruct politics and realign the political parties in Japan. With that belief in my mind, I have worked hard toward that end. Japan's second political reform and second realignment of the political parties is about to begin. I have formed the Liberal Party after concluding that I have to act now. From now on, together with my colleagues I will work toward realigning the political parties, not caring for the present framework of the political parties.

[Unidentified correspondent] Minister, many people feel that the Hata cabinet is a minority coalition government and will be short-lived. What is your comment?

[Kakizawa] As a minority coalition government, our cabinet will embark under difficult circumstances. Our cabinet has to handle the fiscal 1994 budget which is the backbone of our economic stimulus measures. It should do everything in its power to get the budget passed in the Diet. Both the ruling and opposition parties should cooperate with each other to pass the budget for the sake of the people. As foreign minister, I am not in charge of handling the budget, but as a member of the Hata

cabinet I intend to work for the passage of the budget in the Diet while assisting the prime minister.

[Unidentified correspondent] Minister, there is a view that it would be difficult to get the Diet to ratify an Uruguay Round accord on rice. What do you think?

[Kakizawa] With regard to a set of accords hammered out at the Uruguay Round, former Deputy Prime Minister and Foreign Minister Hata formally signed them in Marrakech. My understanding is that there will be domestic problems with putting those accords into effect. However, our cabinet will seek the people's understanding of Japan's commitment to fulfill its international promises while pursuing an agricultural policy that can open a bright future for farmers. I believe parliamentary ratification of the rice accord is a necessary process of building Japan into a nation that can live together with other nations. Our cabinet is ready to listen humbly to anyone's views.

Finance Minister Reviews Issues

OW2804140094 Tokyo NHK General Television
Network in Japanese 0621 GMT 28 Apr 94

[News conference by Finance Minister Hirohisa Fujii with unidentified correspondents at the prime minister's official residence in Tokyo—live]

[Text] [Fujii] I have just been appointed as finance minister by Prime Minister Hata. Because I also served as finance minister in the Hosokawa cabinet, this is my second appointment to the post, and I am ready to assume this post again.

I would like to briefly review urgent issues first. As a result of the recent 15.25 trillion-yen economic package, bright spots can now be observed in the economy, although it is still in a very delicate stage. To achieve full economic recovery, it is necessary for the government to steadily implement this comprehensive economic package. The package includes a tax reduction plan worth 6 trillion yen, including 5.5 trillion-yen in income tax cuts. I am very grateful that Diet members have shown their understanding about this tax reduction plan, and have endorsed relevant bills. Now that the new government has been inaugurated, I will ask Diet members to start deliberations on the fiscal 1994 budget.

This economic package also has to deal with bad assets owned by financial institutions because assets inflation is still causing distortions in the economy. Although we do not have figures for the period ending March, I think inflation has begun to abate. We will make further efforts to bring inflation to a halt.

Next, as the new prime minister has said, we will promote economic reforms by inheriting reform measures from the former government. I think economic reforms are very important for the future society and economy. One of the important reforms is to establish an economic structure in which Japan can cooperate with

other countries through promoting deregulation, market liberalization, the review of industrial structure, and other measures. As far as the Finance Ministry is concerned, we have to actively promote deregulation in the insurance and monetary markets.

It is also very important that we establish an economic structure that helps smoothly integrate a society of longevity into Japan's society and economy. Of course, this is related to issues concerning employment, regional societies, lifetime education, and others. The Finance Ministry will promote welfare policies to cover medical care, pensions, and nursing. I think it is very important for the government to work out measures to put burdens equally on the people to promote the policies. Because it is no longer allowed to put heavier burdens on working people, the former government decided to cut an income tax, and considered increasing a consumption tax. It is important to establish a structure in which the nation can easily deal with the aging society while imposing light burdens on working people. Of course, in parallel with this issue, the government has to tackle such issues as promoting administrative reform, and revising inequalities in the tax system. That is all I want to say.

[Reporter] Mr. Fujii, since you have been named the finance minister again, you continue to be in charge of the budget. Because the Hata cabinet is a minority ruling government, it will have rough going. What do you think of the new cabinet, which is said to be short-lived?

[Fujii] As you said, the new cabinet is a minority ruling government. But because the 1994 budget was compiled by many people, including cabinet ministers who are not joining the new cabinet, I think the budget has many points the largest opposition Liberal Democratic Party can agree on. We will exert utmost efforts to have the 1994 budget passed by seeking the cooperation of the opposition parties, including the Liberal Democratic Party.

[Reporter] The office of former Prime Minister Hosokawa recently announced that the former premier had failed to declare 3 million-yen income. What do you think of Hosokawa's sense of obligation to pay taxes? Also, what do you think of the popular opinion that taxation on politicians is not severe?

[Fujii] First, I would like to say that it is people's obligation to pay taxes. In particular, those who are engaged in politics have to strictly fulfill this obligation. Although I am entrusting the National Tax Administration Agency with taxation, I want to stress that we should never be lenient toward politicians. The ultimate and only goal for the Tax Administration Agency is to carry out taxation equally to everyone in accordance with the law. I want to stress this goal will not change in any instance.

[Reporter] I would like to ask about the current economic situation. The yen surged to 102 today. You

mentioned international cooperation, but do you think Japan can deal with this issue in cooperation with the United States?

[Fujii] As I have repeatedly said in the Diet, I would like to refrain from mentioning a specific level of yen exchange rate. But at G-7 meetings in Washington last September and in Frankfurt in February this year, and at the recent meeting in Washington, I asserted that overly rapid foreign exchange movements in one country are not only undesirable for the nation's economy but also have negative effects on the world economy. I believe G-7 finance leaders have a common understanding about this. Therefore, we must respond to overly rapid foreign exchange movements. And the level of exchange rates should reflect the fundamentals of a nation's economy. As G-7 nations have repeatedly said, we must promote policy coordination in various fields. I think this is a common understanding. With this stand, I will deal with the issue you have mentioned.

[Unidentified dean of press corps] Thank you very much.

[Fujii] Thank you.

MITI's Hata on 'Severe' Situation

OW2804110894 Tokyo NHK General Television
Network in Japanese 0630 GMT 28 Apr 94

[News conference by newly appointed Minister of International Trade and Industry Eijiro Hata with unidentified correspondents at the prime minister's official residence in Tokyo—live]

[Text] I am Eijiro Hata. I was appointed to the post of minister of international trade and industry. First, I would like to express my appreciation for the guidance given to me when I was agriculture, forestry and fisheries minister. As you know, we are in a very severe economic situation and have to deal with many issues. We need to play a responsible economic role in the international arena to improve our reliability. Moreover, we need to deal with other issues as well—including the issue of economic cooperation between Japan and the United States, and the issue of easing government regulations. Now that I have been appointed to the post of minister of international trade and industry, I will use all my energy to deal with these issues. While seeking people's understanding, I will make strenuous efforts to accomplish these tasks.

[Unidentified reporter] Some people are saying that the new administration will have difficulties in conducting state affairs and will be short-lived because it is backed by a minority ruling coalition. Can you explain what you think of this situation?

[Hata] I think our major task is to gain support from the people as we make a series of movements for political reform and other matters. We need to do that by implementing policies which will be understood and

supported by the people. The opposition parties, if they deal with various matters in a gentlemanly manner, will also be able to gain understanding and support from the people as healthy opposition parties. While settling these issues, I think we have to build a stable foundation to enable the new cabinet to fulfill the responsibilities it is expected to fulfill.

[Unidentified reporter] It seems that the Ministry of International Trade and Industry [MITI] is in a chaotic situation because former MITI Minister Kumagai fired an influential deputy MITI bureau chief. How are you going to mend the situation within MITI?

[Hata] I do not know the details. However, the purpose of personnel reshuffle is, in a way, to renew people's minds. I think such a purpose is being achieved.

DA Chief on 'Tough' Situation

OW2804112094 Tokyo NHK General Television Network in Japanese 0658 GMT 28 Apr 94

[News conference by newly appointed Defense Agency [DA] Director General Atsushi Kanda with unidentified domestic correspondents at the prime minister's official residence in Tokyo—live]

[Text] [Unidentified official]. We will now have a news conference with Defense Agency Director General Atsushi Kanda.

[Kanda] I am Atsushi Kanda, and I was just appointed director general of the Defense Agency.

The situation facing Japan is tough. With the end of the Cold War, an era of disarmament has begun. In particular, the issue of North Korea's suspected development of nuclear weapons was taken up at a session of the UN Security Council, and the Security Council is about to decide on various measures. Japan should deal properly with the issue, taking the tough situation into account. In the future, I will work hard toward Japan's defense buildup. I would like to solicit your cooperation.

[Unidentified correspondent] Under the present interpretation of the Constitution, [words indistinct] cannot be acknowledged. In its party convention, the Democratic Socialist Party [DSP] has decided such a constitutional interpretation was incorrect. What is your opinion?

[Kanda] The people have a variety of views regarding the Constitution. As for the DSP, it has never made such a decision. I think it is appropriate to deal with things within the scope of the Constitution for the time being.

[Unidentified correspondent] It is said that since the Hata cabinet is a minority coalition government, it will last approximately two months. What is your opinion?

[Kanda] It may not necessarily become a stable administration. However, I will do my best to enable this cabinet to become a full-fledged administration and to

respond to the people's expectations. I intend to work hard to successfully fulfill my duties.

[Unidentified correspondent] Viewing the Hata cabinet, it consists mainly of Komeito members and others who were formerly affiliated with the Liberal Democratic Party.

[Kanda] DSP Chairman Ouchi is a member of the Hata cabinet. The important things are what measures the coalition cabinet undertakes and how it makes the people understand what it does. Therefore, I do not care who participates in the Hata cabinet. As for myself, I intend to work hard to carry out my duties.

Murayama Describes Cabinet as 'Pseudo' LDP

OW2804111994 Tokyo KYODO in English 1058 GMT 28 Apr 94

[Text] Tokyo, April 28 KYODO—The leader of the Social Democratic Party (SDP) described the newly formed cabinet of Prime Minister Tsutomu Hata Thursday [28 April] as a pseudo Liberal Democratic Party government. SDP chairman Tomiichi Murayama said, "I am worried that (the minority government) will strengthen its character as a pseudo LDP government."

The leader of the second largest opposition party told reporters the party will cooperate for passage of the overdue state budget for fiscal 1994, but judge other bills on their own merit.

Murayama rejected Hata's last-minute plea to return to the ruling coalition earlier in the day. The party decided Tuesday to withdraw from the coalition over an abrupt creation of a joint parliamentary bloc by coalition groups in the House of Representatives excluding the SDP.

Asked whether the SDP will force the government to dissolve the lower house for a snap general election after passage of the budget, Murayama showed a cautious attitude, saying a political vacuum should not be created in view of the current economic situation.

Biographical Sketches of New Cabinet Members

Chief Cabinet Secretary Kumagai

OW2804091994 Tokyo KYODO in English 0853 GMT 28 Apr 94

[Text] Tokyo, April 28 KYODO—New Chief Cabinet Secretary Hiroshi Kumagai served as minister of international trade and industry under the previous cabinet of Morihiro Hosokawa, the predecessor of Prime Minister Tsutomu Hata.

Kumagai, 53, a member of the coalition's core party, Shinseito (Japan Renewal Party), is known as a right-hand man of Ichiro Ozawa, Shinseito secretary general and the coalition's primary strategist. He replaces

Masayoshi Takemura, head of New Party Sakigake (Harbinger), as the chief government spokesman and the chief of staff to Hata, who heads Shinseito.

His appointment to the post reflected Hata's intention to secure a chief government spokesman from among Shinseito's members, who all know him well.

Relations between Takemura and Hosokawa, head of the Japan New Party, were sour between last December and the time of the collapse of the coalition government, chiefly because of differences over government policies.

Sakigake, a member of the previous seven-party coalition, decided not to seek a post in the new coalition government and instead to offer support from outside the group.

Kumagai is known as a tough, hard-nosed politician, who is unequivocal about what Japan should say and do in its economic ties with the United States. Some describe his character as pugnacious because he always appears ready for a fight.

But the latest round of the so-called trade "framework" talks with Washington, in which he kept his cool when the Ministry of International Trade and Industry (MITI) was severely criticized as a major foot dragger on the bilateral talks, has shown that there are other sides to his character.

Under the Hosokawa administration, Kumagai emphasized the importance of Tokyo devising viable and effective plans in the macroeconomic and microeconomic fields to ease U.S. frustration with the slow progress in opening Japan's markets.

Kumagai shows a tendency to cause waves. He recently forced the resignation of a senior MITI official, tipped as the strongest new candidate for the prestigious post of administrative vice trade minister, because the official had handed another bureaucrat a promotion immediately before he was about to run in a parliamentary election. The disciplinary action was criticized by the bureaucracy which regarded it as political interference in its personnel affairs.

Hailing from Shizuoka Prefecture, Kumagai joined MITI in 1964, as a career bureaucrat, upon graduation from Hitotsubashi University. In 1974-1975, Kumagai was sent to Harvard University.

He left MITI in 1975 and ran in the House of Councillors election as a candidate of the Liberal Democratic Party (LDP), the then ruling party of Japan, and won an upper house seat. Kumagai shifted to the House of Representatives in 1983.

When Hata and Ozawa defected from the LDP to form Shinseito in the summer of 1993, during the political turmoil over electoral reforms, Kumagai immediately joined them.

Kumagai has been elected to the powerful lower house for four times.

Foreign Minister Koji Kakizawa

*OW2804094994 Tokyo KYODO in English 0922 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed Foreign Minister Koji Kakizawa is head of the new party "Jiyuto" (Liberal Party), a coalition bloc, and is credited for his expertise in financial and foreign affairs. Kakizawa, 60, replaced Tsutomu Hata in the post, the latter having been elected as prime minister.

Conversant in both English and French, he has demonstrated great interest in foreign affairs, having served as chairman of the House of Representatives Foreign Affairs Committee in 1990 and as parliamentary vice foreign minister from 1991 to 1993 under then Prime Minister Kiichi Miyazawa.

During that latter stint, he visited Mozambique to pave the way for deployment of Japanese U.N. peacekeepers there, while he represented Japan at a meeting of the Association of Southeast Asian Nations (ASEAN) post-ministerial conference. He has shown a particular interest in Myanmar [Burma], having visited the country and met with top junta leaders.

After graduating from Tokyo University, Kakizawa served for years as a Finance Ministry bureaucrat and spent time as an intern at the French Finance Ministry in Paris and a diplomat at the Japanese Embassy in Belgium. He ended his career as a bureaucrat in 1977 when he successfully ran for a seat in the House of Councillors as a candidate for the new Liberal Club, a splinter party from the Liberal Democratic Party (LDP).

In 1980, he was elected to the first of five terms in the House of Representatives. The following year he left the new Liberal Club, which disbanded in 1986, all of its former members rejoining the LDP.

After joining the LDP, he belonged to a faction led by former Foreign Minister Michio Watanabe and worked on foreign, defense and financial affairs.

Kakizawa launched the Liberal Party on April 20 along with five other LDP defectors and one independent amid the political turmoil sparked by the declaration of former Prime Minister Morihiro Hosokawa on April 8 that he would resign.

Kakizawa, hailing from Tokyo's No. 6 constituency, has been elected to the lower house five times.

Finance Minister Hirohisa Fujii

*OW2804090094 Tokyo KYODO in English 0758 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Hirohisa Fujii retained his post as finance minister determined to get the fiscal 1994 budget enacted and to press ahead with economic reform.

In the cabinet of Morihiro Hosokawa, Fujii championed a national welfare tax that was later scrapped, while opposing a proposal to introduce deficit-financing government bonds. The 7 percent welfare tax plan was intended to replace the current 3 percent consumption tax.

The plan met strong opposition from the Social Democratic Party (SDP) [of Japan—SDPJ]—the largest force in the Hosokawa coalition—and was dumped the day after Hosokawa announced it in early February.

As a compromise, the ruling parties agreed to implement income tax cuts for one year only and financed by deficit bonds. Further tax reform measures are scheduled before the end of the year.

On the political front, Fujii faced tough questioning from the Liberal Democratic Party (LDP) over questionable political donations from a salt wholesalers' association which falls under the jurisdiction of the Finance Ministry. Because of this, it had been expected that Fujii would be replaced.

Other lingering problems for Fujii include prolonged economic recession and trade friction with the United States. Fujii recently said the economy is in a "delicate phase" and expressed confidence that the latest 15.25 trillion yen stimulus package coupled with the fiscal 1994 budget will "greatly" help put the economy on the path to full recovery.

While trying to take fiscal steps to boost domestic demand, Fujii repeatedly has tried to convince the United States that Japan intends to enact full-scale tax reform by the end of the year. The coalition parties are to detail the year-end tax reform package by June, fulfilling a government pledge in March.

Fujii, 61, won a seat in the lower House of Representatives last year as a member of Shinseito [Japan Renewal Party]. He defended the lower house seat once as a LDP member after moving from his twice-elected seat in the upper House of Councillors.

Fujii is known as the right arm of Shinseito strategist Ichiro Ozawa, with the left arm being International Trade and Industry Minister Hiroshi Kumagai.

Born in Tokyo, Fujii served as a career Finance Ministry bureaucrat after graduating from Tokyo University before starting his political career.

Justice Minister Shigeto Nagano

*OW2804121194 Tokyo KYODO in English 0948 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—New Justice Minister Shigeto Nagano of Shinseito [Japan Renewal Party] is a former chief of staff of the Ground Self-Defense Force (GSDF). He replaced Akira Mikazuki, a distinguished academic, as justice minister.

Nagano, 71, graduated from the former elite Japanese Military Academy and assumed the post of first lieutenant in the Japanese Imperial Army in 1945 when World War II ended.

He entered the police reserve force in 1951, which was upgraded to the Self-Defense Forces (SDF) in 1954. Before retiring from the GSDF in 1980, he was promoted to the top uniform rank.

Nagano won his first seat in the House of Councillors in the 1986 election for which he had run as a candidate of the then ruling Liberal Democratic Party (LDP). He is now serving as an upper house member for the second six-year term.

In June 1993, he joined other LDP defectors to set up Shinseito (Japan Renewal Party), which two months later formed the coalition government with six other non-LDP parties.

Nagano comes from Oita Prefecture on Kyushu Island in western Japan.

MITI Minister Eijiro Hata

*OW2804075594 Tokyo KYODO in English 0720 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—New International Trade and Industry (MITI) Minister Eijiro Hata served an event-filled term as agriculture, fishery and forests minister in the previous administration of Hata's predecessor Morihiro Hosokawa.

Hata, 65, who broke away from the Liberal Democratic Party (LDP) last June, is one of the founding members of Shinseito (Japan Renewal Party). He succeeded Hiroshi Kumagai of Shinseito, who was appointed to chief cabinet secretary.

During his previous trial-by-fire term, he was confronted with such knotty problems as a severe cold spell that damaged the country's rice crop and paved the way for the government's decision to partially open the country's rice market. He was also at the helm of the ministry when Japan joined the United States and the European Union in concluding a long-incoming Uruguay Round agreement covering agriculture.

One time during his term, amid coalition party wrangling, Hata is said to have resolved to resign and to have packed up his belongings for departure from his ministry office.

When an LDP censure motion was presented in the House of Councillors, Hata demonstrated great composure. The motion was rejected.

Hata subsequently threw himself into the promotion of emergency measures to improve the agricultural situation. He is highly-regarded within the ministry for his forward-looking attitude and tactfulness.

As the head of MITI, he is expected to steer Japan's trade policy, which faces difficult problems such as trade relations with the United States.

Elected to the House of Representatives six times from Oita Prefecture on Kyushu Island, where he was mayor of a small town, Hata is particularly known for his work in the field of posts and telecommunications. He was instrumental in the privatization of Nippon Telegraph and Telephone Corp. (NTT) in 1985.

Telecommunications Minister Hikasa

*OW2804080994 Tokyo KYODO in English 0724 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—New Posts and Telecommunications Minister Katsuyuki Hikasa is one of the main policy experts in Buddhist-backed Komeito [Clean Government Party], an influential party in the coalition government.

Hikasa, 48, Komeito's Policy Board chairman, has never failed to peruse the bulk of budget documents every year ever since the party was in the opposition camp until last August. He played an active role in the ruling parties to draft 1994 budget bills and a tax reform plan.

Hikasa replaced Takenori Kanzaki, his comrade in Komeito. Hikasa is said to be friendly and is well versed in ancient arts and ceramics.

He has been elected a House of Representatives legislator four times from the No. 1 constituency in Okayama Prefecture.

Transport Minister Nobuaki Futami

*OW2804080094 Tokyo KYODO in English 0716 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly named Transport Minister Nobuaki Futami is a distinguished debater and member of the Buddhist-backed Komeito [Clean Government Party], succeeding Shigeru Ito of the Social Democratic Party (SDP) [of Japan—SDPJ]. He rose swiftly through the ranks of Komeito, serving as political editor and an editor-in-chief of the party's newspaper KOMEI SHIMBUN before being elected to the House of Representatives from a constituency in Ibaraki Prefecture.

The 59-year-old legislator is well-versed in a wide range of policy affairs. He chaired the party's Policy Affairs Council for three years.

Futami has also been active in addressing environmental issues, particularly water pollution.

He is popular among legislators, including members of the main opposition Liberal Democratic Party. He has a reputation for being lighthearted and sensitive.

Born in Tokyo, Futami completed graduate school at the prestigious Waseda University. He is currently serving as vice chairman of Komeito.

He has been elected to the powerful lower house for seven times.

Sci-Tech Agency Leader Mikio Omi

*OW2804080594 Tokyo KYODO in English 0718 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed Science and Technology Agency Chief Mikio Omi is known to have interpellated 488 times at the Diet, the largest number among all lawmakers. The record number of interpellators came from his belief that legislators should be spokespersons for the people.

Omi, 58, is a House of Representatives legislator of Komeito [Clean Government Party] backed by the Buddhist group Soka Gakkai, an influential party in the coalition government. He succeeded Satsuki Eda of the United Social Democratic Party (USDP).

Some party members said he is earnest and warm-hearted.

Born and brought up in Osaka, Omi has been elected from the No.3 constituency in Osaka Prefecture nine times since 1967, but he has not held any conspicuous post in the party.

In 1967, the third Komeito Chairman Yoshikatsu Takeiri, the fourth Chairman Junya Yano and the fifth and current Chairman Koshiro Ishida were also elected lower house members for the first time.

EPA Leader Yoshio Terasawa

*OW2804081394 Tokyo KYODO in English 0727 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed Economic Planning Agency [EPA] chief Yoshio Terasawa is a consummate financial whiz once described by Sony Chairman Akio Morita as "the man who has truly lived on Wall Street."

Terasawa, 62, a member of the Japan New Party led by former Prime Minister Morihiro Hosokawa, succeeded Manae Kubota of the Social Democratic Party (SDP) [of Japan—SDPJ].

A native of Tochigi Prefecture, Terasawa has served as vice president of Japan's largest securities firm Nomura Securities Co. and as founding head of the World Bank affiliate, the Multilateral Investment Guarantee Agency. He has also served as president and chairman of the U.S. branch of Nomura Securities and is an honorary citizen of New York City.

Terasawa spent his student years at Waseda University in Tokyo but gained an early familiarity with the United States during a period there on a Fulbright Scholarship.

As a member of the new cabinet, Terasawa will be able to use his knowledge of and contacts in the U.S. to help solve problems caused by Japan-U.S. economic friction.

His hobbies are golf and traditional Japanese songs or ballads known as "kouta," which are usually accompanied by music from the samisen.

Terasawa is in his first term of office in the House of Councillors.

Labor Minister Kunio Hatoyama

*OW2804082194 Tokyo KYODO in English 0735 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed Labor Minister Kunio Hatoyama has a prominent family background in politics.

His great-grandfather Kazuo Hatoyama was a former lower house speaker, while his late grandfather Ichiro Hatoyama served as prime minister and his late father Iichiro was foreign minister. His elder brother Kunio is a lower house lawmaker who has served as deputy chief cabinet secretary.

Hatoyama, 45, an independent House of Representatives legislator, replaces Chikara Sakaguchi of Komeito [Clean Government Party] as labor minister.

After graduating from Tokyo University, Hatoyama became secretary to the late former Prime Minister Kakuei Tanaka. He won a lower house seat as an independent and later joined the LDP.

He was noted for crossing party lines to vote against the LDP government's abortive first attempt to introduce the consumption tax.

During the first administration of then Prime Minister Kiichi Miyazawa of the LDP from November 1991 to December 1992, Hatoyama served as education minister and proposed scrapping examinations prepared by the private firms, on the grounds the exams encouraged excessive competition among students to go to higher educational facilities.

He left the LDP in 1992 as the party's then largest faction led by former Prime Minister Noboru Takeshita broke up.

Hatoyama has been elected to the lower chamber six times.

National Land Agency Leader Sato

*OW2804083594 Tokyo KYODO in English 0741 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed National Land Agency Chief Megumu Sato is known to have refused to sanction the execution of death row inmates when he was justice minister for about a year from December 1990. Sato, 70, has advocated that Japan should abolish the death penalty.

Sato, a House of Representatives legislator of Shinseito [Japan Renewal Party], a core political party in the coalition government led by new Prime Minister Tsutomu Hata, is also a Buddhist priest.

Japan, one of the few remaining developed countries with capital punishment, had not executed death row inmates for three years and four months from November 1989, but resumed hanging last year, putting three people to death in March and four in November.

Sato has been elected to the House of Representatives nine times since 1969 from the sixth constituency of Osaka Prefecture. Before becoming a politician, he was a bureaucrat at the Posts and Telecommunications Ministry and later served as posts and telecommunications minister from 1984 to 1985.

He was a member of the Liberal Democratic Party (LDP)—the former ruling party now in opposition—until last summer and once belonged to the LDP faction of late former Prime Minister Kakuei Tanaka.

Sato quit the LDP last June and formed Shinseito with other defectors including Hata.

His late father had served as Defense Agency chief and Osaka governor.

Home Affairs Minister Hajime Ishii

*OW2804085594 Tokyo KYODO in English 0745 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed Home Affairs Minister Hajime Ishii played a major role in enacting political reform bills as the head of the House of Representatives Special Committee on Political Reform. Ishii, 59, succeeded Kanju Sato of the Social Democratic Party (SDP) [of Japan—SDPJ].

A senior member of the coalition's core party Shinseito (Japan Renewal Party), Ishii served as director general of the National Land Agency under an administration of the Liberal Democratic Party (LDP). He joined Shinseito as new Prime Minister Tsutomu Hata and Ichiro Ozawa, the coalition's chief strategist, launched the party last year after bolting from the LDP, then the ruling party.

As an LDP legislator, Ishii held the posts of parliamentary vice labor minister and transport minister.

In 1977, he led a government mission to Dhaka, Bangladesh, where he negotiated with the hijackers of a Japan Airlines plane.

Currently, Ishii is chairman of a Friendship Association made up of parliamentarians of Japan and North Korea.

Ishii, who has studied in the United States, has a good working command of English.

Hailing from Hyogo Prefecture in western Japan, Ishii has been elected to the powerful House of Representatives eight times.

Agriculture, Forestry Minister Kato

*OW2804090694 Tokyo KYODO in English 0801 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Newly appointed Agriculture, Forestry and Fisheries Minister Mutsuki Kato, a veteran legislator of the House of Representatives, is known for his expertise on tax and financial policies.

Kato, 67, a member of Shinseito (Japan Renewal Party), replaced Eijiro Hata of the same party. He left the Liberal Democratic Party (LDP) last year to join the coalition's mainstream conservative and the LDP's breakaway party Shinseito, which was founded by Tsutomu Hata, new prime minister, and Ichiro Ozawa, the alliance's primary strategist.

Kato is known to be close to Ozawa.

In the LDP, Kato held such ministerial portfolios as Land Agency, Hokkaido Development Agency and agriculture. He formed his own group in 1991 after seceding from a major LDP faction led by Hiroshi Mitsuzuka, a veteran legislator who has held the posts of foreign, trade and transport ministers.

Kato also headed the LDP's Policy Affairs Council and Research Council on Tax System.

On political realignment, Kato shares a similar view with Ozawa, who is urging a two-party system, in which a unity party of coalition blocs rivals the LDP.

Kato, hailing from Okayama Prefecture, western Japan, has been elected to the powerful House of Representatives ten times.

Education Minister Ryoko Akamatsu

*OW2804082894 Tokyo KYODO in English 0738 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Gender equality advocate Ryoko Akamatsu retained her portfolio as education minister and is expected to continue her campaign for greater recognition of women's rights.

Akamatsu, 64, who has served as director general of the Labor Ministry's Women's Bureau, once remarked that the lack of a woman on Sumo's Yokozuna Promotion Council is "strange" and has called for equality in the government's system of conferring decorations.

Since becoming education minister last August, Akamatsu has worked to overcome some of the ministry's conservative administrative policies based on decades of Liberal Democratic Party guidance. She once remarked that she "shuddered" at the rule in junior high schools requiring boys to have their hair closely cropped,

touching off a public debate over the issue and other school policies seen as restrictive by educational reformers.

An Osaka native, Akamatsu graduated from Tokyo University to begin her career in the Labor Ministry in 1953.

In 1978, she was put in charge of women's issues at the Prime Minister's Office and the same year was appointed minister at the Japanese mission to the United Nations.

Akamatsu was government representative to the 34th U.N. General Assembly that signed a pact abolishing discrimination against women and in Japan worked to enact legislation on equal employment opportunities for women in May 1985. She became Japan's second woman ambassador in 1986 when she was sent to Uruguay, where she served until 1989.

RMCA Director Koshiro Ishida

*OW2804091494 Tokyo KYODO in English 0815 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Retained Management and Coordination Agency [RMCA] Director General Koshiro Ishida is expected to keep on tackling administrative reform centering on economic deregulation, which the United States has urged to reduce the huge imbalance in bilateral trade.

Ishida is the 63-year-old chairman of Komeito [Clean Government Party], the third-largest ruling coalition party, backed by the Buddhist group Soka Gakkai. His agency supervises state administration and takes charge of promoting economic deregulation.

Komeito's connection with Soka Gakkai was called into question at the Diet when the opposition Liberal Democratic Party quizzed Ishida over constitutional issues. The Constitution bans the state and its organs from conducting religious activities.

Ishida and Party Secretary General Yuichiro Ichikawa, the coalition's major strategist, have led Komeito for nearly five years.

Born in Hokkaido, Ishida started his Komeito career as an employee of Soka Gakkai's official newspaper after graduating from the Commerce Science Department of Meiji University. He comes from a family which has close relations with Soka Gakkai, one of the most successful religious movements in postwar Japan.

He was elected to the House of Representatives for the first time from the No. 6 constituency in Aichi Prefecture in 1967, the year Komeito first entered the lower house and voters have returned him nine more times.

He assumed the post of party chairman in 1989 following the resignation of former Chairman Junya Yano over his alleged involvement in the Recruit "stock-for-favors" scandal and other corruption cases involving the party's Diet members. The new chairman, however,

met with setbacks both in the House of Councillors election in 1989 and the House of Representatives election in 1990, and was forced to change the party's direction and take a more centrist course.

In April 1990, Ishida made Komeito's position clear as a leading centrist party, distancing itself from reformist forces headed by the Social Democratic Party. By forming a union with another centrist force, the Democratic Socialist Party, Ishida cooperated skillfully with the then ruling Liberal Democratic Party in handling important issues in Diet debate.

In 1992, he played a key role in pushing a bill through the Diet that allows Japan to dispatch Self-Defense Forces personnel overseas to join in U.N. peacekeeping operations.

Health Minister Keigo Ouchi

*OW2804093294 Tokyo KYODO in English 0827 GMT
28 Apr 94*

[Text] Tokyo, April 25 KYODO—Health and Welfare Minister Keigo Ouchi is expected to continue pushing for a thorough reform of the social security system to cope with Japan's aging society.

The 64-year-old chairman of the Democratic Socialist Party (DSP) shared former Prime Minister Morihiro Hosokawa's vision of a welfare society. However, he was strongly opposed to Hosokawa's surprise proposal in February to introduce a "7 percent national welfare tax" on grounds the coalition parties were not consulted first.

The tax plan designed to partly finance tax cuts was scrapped the day after Hosokawa announced it.

Ouchi once called for a tie-up with Hosokawa's Japan New Party and new party Sakigake (Harbinger). He also said he favors a multiparty system but less than the current number, along with the coalition's leading Social Democratic Party (SDP) [of Japan—SDPJ] and new party Sakigake, while Shinseito (Japan Renewal Party) and Komeito [Clean Government Party], the alliance's two core blocs, are urging coalition partners to consolidate into one party to fight the main opposition Liberal Democratic Party (LDP).

Ouchi, however, joined a new parliamentary group called "Kaishin" (Innovation), which was formed at his suggestion hours after Tsutomu Hata was elected new prime minister. The group comprises members of Shinseito, the Japan New Party of Hosokawa, the DSP, the newly established "Jiyuto" (Liberal Party) and Kaikaku-no-kai.

Together with other right-wing members who quit the former Socialist Party to found the DSP in 1960, Ouchi is known as a formulator of centrist policies.

In 1976, he was elected to the House of Representatives for the first time from a Tokyo constituency. After serving four consecutive terms in the lower house, he lost

his seat in the 1986 election, despite holding the DSP's No. 2 position of secretary general.

He recaptured his seat in the lower house and took office as chairman of the DSP. In last year's general election, he was elected for the sixth time.

Construction Minister Morimoto

*OW2804121694 Tokyo KYODO in English 0951 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Martial arts expert Koji Morimoto, considered a specialist in commerce and industry issues in Komeito [Clean Government Party], was given the construction minister's portfolio. He replaced Kozo Igarashi of the Social Democratic Party (SDP).

Morimoto, 52, has been elected to the House of Representatives four times by his Nara Prefecture constituency and has served as an executive on the lower house's Steering Committee.

Since the launching of the previous coalition government last August, Morimoto has been in charge of the party's Diet management. Morimoto's post has put him in a position to confront the opposition Liberal Democratic Party (LDP) in negotiations.

He is a close ally of party Secretary General Yuichi Ichikawa, a coalition strategist.

Morimoto speaks in an undisguised Kansai dialect that characterizes the natives of the Osaka-Kyoto-Nara district and has been described as a gentle, considerate type in interpersonal affairs. His gentle demeanor and refusal to utter any complaints should not be confused with a lack of resolve, however, since Morimoto is an honorary fourth degree black belt holder in nihon kenpo, a modern version of kung fu.

In the residence for Diet members, Morimoto's room is crowded with physical training machines and the Kansai University graduate also swims regularly to stay in shape.

Development Agencies' Head Sato

*OW2804121294 Tokyo KYODO in English 0924 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Moriyoshi Sato, who is to head the Hokkaido and Okinawa Development Agencies, is known to be a tenacious politician. Sato, 72, is a member of the coalition's core party Shinseito (Japan Renewal Party).

Sato made three abortive attempts to win a seat in the lower house before finally being elected to the House of Representatives.

He is currently serving his 9th term in the lower house. With the appointment Sato, a self-declared close aide of

disgraced LDP [Liberal Democratic Party] kingpin Shin Kanemaru, returns to the political spotlight.

It was Sato who in August 1992 read out Kanemaru's statement announcing his resignation from the LDP vice presidency over his acceptance of 500 million yen in undeclared donations from a scandal-ridden trucking firm.

Sato, who hails from Hiroshima, is said to have adapted quickly to the post-Kanemaru era, distancing himself from the fallen LDP powerbroker.

While serving as agriculture minister, Sato managed to break the deadlock in fishery rights negotiations with the former Soviet Union in 1985. In his LDP days, he gained experience mainly in the fields of transport and telecommunications.

He has also served as National Land Agency director general.

Environment Agency Head Hamayotsu

*OW2804121094 Tokyo KYODO in English 0913 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Toshiko Hamayotsu, appointed director general of the Environment Agency in the new cabinet, is one of the up and coming female members of Komeito [Clean Government Party]. She succeeded Wakako Hironaka of Komeito.

As a lawyer, Hamayotsu, 49, specialized in cases of inheritance disputes and international divorces. The author of many books, Hamayotsu has long been involved in issues concerning women's rights.

One colleague described her as "refined and friendly."

She had long been serving as a law advisor for the party before she was elected with the largest vote for a House of Councillors constituency in Tokyo. She is currently serving her first term in the upper house.

Public Works Monitoring Committees Created

*OW2804091694 Tokyo KYODO in English 0841 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—The Construction Ministry has set up special monitoring committees for securing fairness in biddings for public works projects in all of its eight regional construction bureaus, ministry officials said Thursday [28 April].

The committees will keep watch on the procedures for biddings and receive complaints from companies that fail to get contracts, the officials said.

The move came in response to a series of major corruption scandals, which exposed rampant, illegal collusion between politicians and big builders to fix public works contracts and deflect official investigation into bid-rigging.

The committees, which comprise five experts, will advise the ministry's local branch heads.

They will monitor and assess fairness of the qualifications for bidders for the public works contracts given by the local construction bureaus.

Ministry on 'Major Revision' of Stopgap Budget

*OW2804110994 Tokyo KYODO in English 1040 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—The Finance Ministry plans to make a major revision in the stopgap budget for fiscal 1994 because of a delay expected in Diet proceedings on the full budget for the year, ministry officials said Thursday [28 April]. They said the revision is required since substantive debates on the full budget by the House of Representatives Budget Committee are unlikely to start until mid-May.

The stopgap budget for the year that started April 1, compiled to deal with the nation's political confusion, is valid only until May 20. The officials said the full budget is unlikely to be approved by the Diet before that date.

The new stopgap budget will be valid until sometime in the 40-day period through June 29, when the current Diet session ends, and will involve additional appropriations of 3 trillion yen to 4 trillion yen, the officials said.

The fiscal 1994 budget was submitted to the Diet on March 4, but there have been no Diet debates on it because of the political confusion.

Kono on Confronting New Government Over Budget

*OW2804110194 Tokyo KYODO in English 0955 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Opposition Liberal Democratic Party (LDP) President Yohei Kono on Thursday [28 April] expressed willingness to confront the newly inaugurated administration of Prime Minister Tsutomu Hata through parliamentary debate on the fiscal 1994 budget.

The LDP "will take issue of (some aspects of the budget bill the LDP cannot accept) and urge the government to amend what should be amended," the leader of Japan's largest opposition party told a group of reporters.

Japan's fiscal 1994 state budget to cover outlays for the 12-month period that started on April 1 is already one month overdue.

Kono also criticized Shinseito [Japan Renewal Party], a key coalition party, of trying to dominate the policy-making process. "We cannot deny the fact that Shinsieto has come to assume greater weight in the government," he said. "Without question, it will be a fragile cabinet, as the ruling coalition has been reduced to a parliamentary minority."

He rapped Shinseito, a former LDP breakaway, for maintaining the "two-tiered power structure," in an apparent reference to the growing dominance by Shinseito Secretary General Ichiro Ozawa of the policy-making process. Hata "is not the prime power in Shinseito," he said.

BOJ: Nation 'Seems To Have Halted' Slump

*OW2204104194 Tokyo KYODO in English 1008 GMT
22 Apr 94*

[Text] Tokyo, April 22 KYODO—Japan seems to have halted its long economic decline but recovery, while possible this fiscal year, cannot be predicted yet, the Bank of Japan (BOJ) said Friday [22 April]. "Japan's economic growth seems to have stopped weakening," the central bank said in its quarterly economic outlook.

The "prospect of a gentle recovery is possible" during the fiscal year that began this month, a central bank official said, but added that "we cannot make an immediate decision" about the connection between the halt to declines and a turnaround.

Uncertainties remain, the report says, citing corporate and financial balance-sheet adjustments, the effects of jobs cuts and other streamlining and foreign exchange movements. It notes that the first quarters of 1992 and 1993 also showed bright signs that did not pan out, but says that this time, "indicators of personal consumption picked up and machinery orders, a leading indicator of business investment, began to show signs of bottoming out."

Personal consumption, a major engine of the economy, will likely grow gradually this quarter, the report says.

Money supply growth will remain sluggish in the quarter, between 1 percent and 2 percent above year-earlier levels, the report says. The official said that while such tepid growth is not good for recovery, money supply alone is not enough to put a drag on the economy.

Japan's corporate capital spending will continue to fall, keeping downward pressure on the economy, but the extent of declines should narrow, the BOJ report says. It notes that production and shipments have risen at Japan's mines and factories but cautions that some of the effect could be from fiscal year-end sales promotions. Production and shipments could weaken again in the April-June quarter, it says.

"Any momentum for production recovery will remain weak, as household income and corporate profits will be low," the report says. Total domestic demand should recover gradually, with consumption helped by this year's income tax cuts and continued stable prices, it says.

The central bank found "lesser weakness in final demand," citing continued strong housing investment, higher consumption of such items as appliances, a halt to the fall in machinery orders and a pickup in exports due

to recovering overseas demand. That rise in exports, the report says, has boosted Japan's trade surplus.

"Labor conditions continue to ease," it says, but no "drastic" further adjustments are expected. The BOJ official said some firms must continue restructuring efforts but that the process need not be completed nationwide for recovery to occur.

Noting recent rises in long-term money market rates, the report says overseas rises and expectations of fresh bond supply may have played a part but that the trend "also seems to have reflected market expectations for economic recovery and upturns in corporate profits."

Government White Paper on Business Reforms

*OW2804122694 Tokyo KYODO in English 1131 GMT
28 Apr 94*

[Text] Tokyo, April 28 KYODO—Small- and medium-sized companies in Japan should drastically reform their business structure in order to survive intensifying competition arising from rapid changes in their business environments, according to a government white paper released Thursday [28 April].

The white paper prepared by the small and medium enterprise agency, which is affiliated with the Ministry of International Trade and Industry, described the environment changes facing smaller companies—those capitalized at 10 million yen or less—as unprecedented in terms of scale, diversity and seriousness.

"Decisive" reform efforts that may lead to a "fundamental" review of traditional business practices and structure need to be made in line with these environment changes, the white paper said.

The paper emphasized the need for creation of new business and services by ailing small enterprises. Such business chances are possible through diversification efforts and conversion to new areas, the paper said.

The document also proposed reforms to revitalize smaller firms on the labor and organizational fronts, including investment in young and promising human resources, a practice rarely seen among smaller firms in the past, and formation of business ties beyond traditional boundaries.

Summing up business activity in the past year, the white paper for fiscal 1993 said small- and medium-sized companies are struggling in almost all sectors because of the long-standing slump amid slack personal spending. Fiscal 1993 ended March 31.

In fiscal 1993, the number of bankruptcies among smaller companies increased 3.5 percent from the preceding year, the paper said.

The paper cited a significant deterioration in earnings, excessive manpower supply, a deepening cash shortage and a sharp drop in capital spending as the main

elements affecting smaller businesses and which are a legacy of the lingering recession.

The yen's sharp appreciation against the dollar since February 1993 dealt a severer blow on smaller companies than when the group of seven economic powers tried to drive down the dollar's value against other major currencies with the 1985 Plaza Accord.

Other adverse environment changes for small companies cited by the white paper included increased competitiveness of products manufactured by Southeast Asian countries and newly emerging Asian economies.

The trend has prompted many small companies in Japan to move production facilities overseas, the paper said.

It said the economic doldrums in Japan are bringing about drastic industrial restructuring for small companies by forcing big changes in their relations with major corporations.

Under the cloud of recession, the white paper said major automakers, for example, have been forced to extend the duration of model changeover cycles, simplify product lineups, unify component use for different models and shift to overseas operations, all eroding businesses previously assigned to subcontractors.

"The situation is especially severer for third, fourth and fifth subcontractors of major corporations than those directly working with them," the white paper said. In order for these subcontractors to tide themselves over in the present economic climate, the white paper proposed they diversify client companies and develop their own brand products.

There are chances for new business emerging for small firms, the paper said. It cited housing-related sectors, information-telecommunications fields, environments and services needs stemming from the aging society, the paper said.

MITI: Industrial Output Increased in Mar

OW2704075894 Tokyo KYODO in English 0732 GMT 27 Apr 94

[Text] Tokyo, April 27 KYODO—Japan's industrial production in March climbed 4.0 percent from the preceding month, the Ministry of International Trade and Industry (MITI) said Wednesday [27 April]. The seasonally adjusted production index for the mining and manufacturing sectors stood at 92.1 against a base of 100 for 1990, MITI announced in a preliminary report.

The March output growth compares with a 0.1 percent dip registered in February.

A production outlook index for the manufacturing sector indicates falls both in April and May.

Uncertainty shadows the future course of final demand, necessitating close watch of coming developments, MITI said, repeating wording used in the February report.

Shipments increased 4.4 percent in March for the index of 95.0, following a 1.1 percent growth in February.

The inventory index dropped 1.7 percent to 105.0, following a 1.0 percent decrease in the previous month.

The March inventory-to-sales ratio fell 6.0 percent against a 2.7 percent decrease in February, with the index standing at 111.9.

On an unadjusted basis, industrial production in March slid 3.1 percent from a year earlier, stretching a record string of year-to-year declines to 30 months.

With the latest statistics, Japan's industrial output has shown considerable fluctuation over the eight months prior to the reporting month.

Koichi Yoshimoto, chief of the ministry's Statistics Analysis Division, told a press conference that the basic undertone of both industrial output and shipment is still weak although bright spots are being detected in some sectors such as household electric appliances and housing purchases.

The 4.0 percent growth in the March output, the highest since a 4.2 percent gain registered in September 1992, chiefly resulted from seasonal factors toward the end of fiscal 1993, Yoshimoto said. "It is too early to declare Japan's economy has hit bottom," he said.

In March, production in all the 14 industrial sectors covered by the survey, except chemicals, scored gains from the preceding month, MITI said.

Electric machinery such as air conditioners made a great contribution to boosting March industrial output along with transport vehicles such as passenger cars, MITI said.

Shipments for the month rose in all 14 sectors, with electrical and passenger cars marking substantial increases.

The production and shipment indexes rose above 90 for the first time since September. But the ministry forecast a 2.7 percent production decline for the manufacturing sector in April and a 2.4 percent decline in May.

Demand for machinery will probably drop in these months in reaction to sharp increases in the January-March period, Yoshimoto explained.

The inventory index fell in March for the third month in a row, thanks to smooth inventory adjustment in ordinary passenger cars, Yoshimoto said. Volume adjustment of corporate inventories is progressing steadily but the inventory-to-sales ratio of 111.9 for March is still high, Yoshimoto said, noting the slow growth of shipments. Corporate managers must feel a surplus of inventories, he said.

Japan's industrial production for the entire year in fiscal 1993 fell 4.1 percent from the previous year while shipments decreased by 3.7 percent.

Both industrial output and shipments thus registered declines for three consecutive years, a first for Japan. In the past, two years of decline were recorded in fiscal 1974-1975 when Japan's economy was struggling under the impact of the 1973 oil crisis.

FY '93 Vehicle Exports Fall '18.3 Percent'

OW2704065294 Tokyo KYODO in English 0634 GMT 27 Apr 94

[Text] Tokyo, April 27 KYODO—Japan's motor vehicle exports in fiscal 1993 ended March 31 decreased 18.3 percent from the previous year to 4.62 million vehicles, marking the second consecutive yearly fall, an industry group said Wednesday [27 April].

The Japan Automobile Manufacturers Association said the yearly fall is the biggest since it began compiling statistics of the kind in fiscal 1972, and the total was the smallest since fiscal 1978.

Exports of passenger cars totaled 3.57 million vehicles, down 19.2 percent from the year before and the lowest level since fiscal 1979. Exports were particularly slow in subcompact cars with engine displacement of 661-2000 cc, down 24.4 percent, the association said.

Trucks fell 14.9 percent to 988,480, for the eighth straight year of decline.

The value of exports amounted to 57.2 billion U.S. dollars in completed vehicles and 22.89 billion dollars in parts, totaling 80.09 billion dollars, down 2.4 percent from fiscal 1992. The fall in the total amount was the first in four years.

The ratio of the exports to Japan's total vehicle output for the year declined to 42.6 percent from 45.9 percent the year before.

Exports to the United States—the biggest market for Japanese automobiles—declined 10.7 percent from the year before to 1.55 million vehicles. It was the seventh consecutive yearly fall, the association said.

Exports to Europe dropped for the third straight year—by 31.2 percent to 1.10 million vehicles.

Shipments to Asian countries fell by 1.0 percent for the first decline in two years to about 686,000 vehicles.

Meanwhile, exports in March alone registered a sharp 24.5 percent fall from a year earlier to 424,901 vehicles, the association said.

The value of exports in March totaled 7.85 billion dollars, down 7.3 percent from a year earlier.

Defense Agency Cancels New Chief's U.S. Visit

OW2804081194 Tokyo KYODO in English 0804 GMT 28 Apr 94

[Text] Tokyo, April 28 KYODO—The Defense Agency on Thursday canceled a visit to the U.S. by the agency chief slated for May 1 due to a change in the Japanese cabinet, agency officials said.

Since Defense Agency chief Kazuo Aichi was replaced by Atsushi Kanda, there is not enough time for preparations for the trip, agency officials said.

EU on Common Stand With U.S. Toward Tokyo

OW2704000794 Tokyo KYODO in English 2345 GMT 26 Apr 94

[Text] Washington, April 26 KYODO—The European Union (EU) wants to join the United States and explore "a common approach" to get Japan to lower its trade surplus by opening its markets wider to foreign products, the top EU trade official said Tuesday [26 April].

Leon Brittan, European commissioner for trade policy, told reporters that he discussed Japanese trade issues in a meeting with U.S. Trade Representative Mickey Kantor on Tuesday. "We share a common view that Japan has a trade surplus which is too large and that part of the problem of that surplus is caused by difficulties in access to the Japanese market," Brittan said after his meeting with Kantor.

The EU, which also runs a sizable trade deficit with Japan, has expressed concern that U.S. pressure on Japan to open up its markets through bilateral negotiations would come at the expense of European interests.

Brittan reiterated that concern during his current trip to Washington, arguing that Japan and the U.S. should take a "tripartite approach" in their trade talks by letting the Europeans in on their negotiation process.

The United States and Japan have been negotiating for nearly one year on ways to slash Japan's massive trade surplus, but the talks have run into stalemate over U.S. demands to set "numerical indicators" to measure the openness of Japanese markets.

Brittan, speaking at the National Press Club in Washington, said the EU is opposed [to] the concept of setting numerical targets for specific industry sectors because that would increase government interference in the markets.

Instead, Brittan said the Japanese Government should undertake specific fiscal policy commitments, describing such macroeconomic targets as "useful" in bringing down Japan's trade surplus. "With a slightly different method we might be able to reach an agreement that would satisfy all our concerns," Brittan said.

Brittan also raised the Japan trade issue in an address to the European Institute in Washington on Monday,

saying that the EU and the U.S. should cooperate to remove "flagrant rules and regulations" in Japan that block trading opportunities for foreign businesses.

The so-called "framework" trade talks between Japan and the United States have been suspended since they broke down at the summit meeting between President Bill Clinton and former Japanese Prime Minister Morihiro Hosokawa in Washington on February 11.

Japanese and U.S. officials say they have no idea when the trade talks will be resumed, and the uncertainty has been compounded by the political turmoil in Japan, with newly elected Prime Minister Tsutomu Hata having difficulty forming a new government.

ROK, Japanese Defense Chiefs Agree to Exchanges

*SK2604113094 Seoul YONHAP in English 1110 GMT
26 Apr 94*

[Text] Tokyo, April 26 (YONHAP)—South Korea and Japan on Tuesday agreed to exchange naval vessels' goodwill visits and to mutually inform about their war planes' flights through overlapping defense identification zones near Kushu and Tsushima.

The agreement was made during talks between visiting Korean Defense Minister Yi Pyong-tae and Japanese Defense Agency Minister Kazuo Aichi.

Under the agreement, a South Korean cruiser is expected to visit Japan this fall, followed by a similar visit to Korea by Japanese Maritime Defense Agency vessels.

The two ministers decided to expand military personnel exchanges and take others steps to further promote mutual understanding through substantial military exchanges, the report said.

Exchanging opinions on other matters of common interest, Yi and Aichi agreed that the North Korean nuclear question should be resolved forthwith and North Korea should promptly return to the Nuclear Nonproliferation Treaty if only to fulfill its obligations as a member of the world community.

The Yi-Aichi talks lasted one and a half hours beginning 4:15 PM.

Yi is set to tour major Self-Defense Force installations and pay a call on Prime Minister-designate Tsutomu Hata before leaving Japan for the next leg of his tour, Moscow, on Thursday.

Agree on Close Ties With U.S.

*OW2704020294 Tokyo NHK General Television
Network in Japanese 1000 GMT 26 Apr 94*

[Announcer-read report; from "NHK News" program]

[Text] Kazuo Aichi, director general of the Defense Agency, met today with Yi Pyong-tae, the visiting South

Korean defense minister, and they agreed that Japan and South Korea should seek a solution to the North Korean nuclear issue through diplomatic efforts. This is the first time that a South Korean defense minister has visited Japan.

Defense Minister Yi inspected an honor guard in front of the Defense Agency headquarters, and later held talks with Director General Aichi. Aichi and Yi agreed that Japan and South Korea should seek a solution to the standoff over North Korea's suspected nuclear program through diplomatic efforts, and also that it is essential for Japan, South Korea, and the United States to maintain close ties on this matter.

Minister Yi said if another war should break out on the Korean Peninsula, it will be far more disastrous than the Korean war [1950-1953] was. He emphasized the importance of U.S.-ROK defense cooperation, saying the important thing is for South Korea and the United States to cooperate in building a system of deterring wars.

The two agreed that to promote military exchanges between Japan and South Korea, mutual visits of exercise vessels should be realized by the end of this year. They also agreed to take measures on mutual communications on flight plans and other information to prevent aircraft accidents.

Protection of Foreign Illegal Workers Urged

*OW2704092794 Tokyo KYODO in English 0846 GMT
27 Apr 94*

[Text] Tokyo, April 27 KYODO—A report on the conditions of foreign residents in Tokyo presented to the Tokyo Municipal Government on Wednesday [27 April] calls for greater human rights guarantees for illegal foreign workers living in the city.

The report, drawn up by a committee under the chairmanship of Yoshio Okawara, a special adviser to the Federation of Economic Organizations (Keidanren) and a former ambassador to the United States, was handed to Tokyo Gov. Shunichi Suzuki. The municipal government will use the report as a basis for its recommendations to all its administrative bureaus.

Over the past decade, the number of foreigners registering as residents in Tokyo has virtually doubled as the city has played host to an increasing number of foreign corporations, foreign students and foreign workers. The number of foreigners in Tokyo had risen to about 270,000 by late 1993, or about one in 40 of the city's residents.

The report notes that many illegal workers avoid contact with administrative officials because they fear it will lead to detection and subsequent deportation. The report says that as a result, poverty and unemployment among foreign workers is becoming a serious problem.

It recommends that while directing companies to prevent illegal employment, the community must face the

reality that illegal workers are living in the community and should frame policies accordingly. It says such policies should take into account problems like the abuse of workers' rights when they are not paid wages.

It also recommends increased support for citizens' groups working against human rights abuses among women engaged in prostitution and calls for adequate education and health care for children of illegal workers.

North Korea

Ministry Issues Statement on Armistice Accord

SK2804090494 Pyongyang Korean Central
Broadcasting Network in Korean 0715 GMT 28 Apr 94

["DPRK Foreign Ministry Statement" issued during a news conference for domestic and foreign reporters in Pyongyang on 28 April]

[Text] The illegal acts [pulpop haengwi] of the United States to infringe upon the Korean Armistice Agreement and to paralyze [mabi sikida] the supervisory organization of the armistice have reached a peak.

By rupturing [kyolyol] the third round of DPRK-U.S. talks that envisaged the prospect for a satisfactory solution to the problem of DPRK-U.S. relations, the United States is now deploying armed forces on a large scale on the Korean peninsula and its surrounding areas.

The United States finally brought new-type Patriot missiles into South Korea in defiance of the unanimous rejection of our people and the public opinion of the world. It has been learned that the United States will deploy Patriot missiles for an actual war [silchon paebi-hada] by the end of April and will even stage the Team Spirit 94 joint military exercise—a nuclear war exercise—in November of this year.

The United States, which has already reinforced the Apache helicopter battalion in South Korea, is going to bring various one brigade-class combat equipment in the future.

The U.S. Marine forces, which have been concentrated on areas around our country, have not been removed. Thus, the United States itself showed that it totally abrogated [pagi] the Korean Armistice Agreement reached with us in the name of the United Nations.

A basic condition for maintaining the armistice status on the Korean peninsula is to not bring operational materials from outside and not reinforce armed forces.

Nevertheless, the United States has unilaterally abrogated what was agreed upon in the agreement since it signed the Korean Armistice Agreement in July 1953, and has brought modern weapons, including 1,000-odd nuclear weapons, into South Korea.

In the past, the United States brought numerous armed forces, including nuclear weapons, into South Korea in a

secret and concealed manner in fear of the Korean Armistice Agreement. Today, however, it openly brings in and deploys new-type of missiles and combat technological equipment in broad daylight. This illustrates that the United States does not recognize the validity of the Korean Armistice Agreement and is ignoring its existence.

Contrary to its duty as a real party to the Armistice Agreement [chongjon hyopchongu: silchejogin tangsajaroso chinin uimue paechidoege], for over the past 40 years, the United States has not only systematically violated and obliterated [chegyejoguro yurin malsal] the provisions of the agreement but it has even paralyzed the organization in charge of supervising the implementation of the armistice [chongjon kamsi kigu majo mabisikiotta].

When the Neutral Nations Inspection Teams disclosed the U.S. violations of the Armistice Agreement after the agreement had been signed, the United States unilaterally and forcibly had removed [ilbangjoguro kangje cholsu sikyossumyo] the Neutral Nations Inspection Teams, which were organized under Paragraph 3 of Clause 2 of the Armistice Agreement, from its area in June 1956. And, it appointed a general of the South Korean Armed Forces, who is not legally suitable or qualified [amuron bomnyulchok tadangsongdo chagyokto omnun] in view of the Armistice Agreement, as senior member of its side in March 1991 and, thus, made the armistice organization incapable of performing its function.

Because of these unreasonable acts [pudanghan chosa] of the United States, the Korean Armistice Agreement has today turned into an empty sheet of paper that cannot guarantee peace on the Korean peninsula, and the Military Armistice Commission has become an organization in which no one is in charge and turned nominal [chuini omnun kigurodo yumyongmusirhage toetotta] as a matter of fact.

The United States has so far systematically abrogated [pagi] the Armistice Agreement and is now threatening us with the force of arms [himuro], while building up massive forces on a large scale on the Korean peninsula and its vicinity. In view of this, we can more clearly see that its hidden intention [soksim] is to crush [apsal] the socialist countries in Asia, including our country.

The United States is bringing forces and armed equipment into South Korea as it pleases [maumdaero] and aggravating the situation on the Korean peninsula as it pleases [chemaumdaero], thus, bringing the situation to the brink of war. Nevertheless, the Armistice Agreement cannot fulfill its role as a systematic device [chedojok changchi] in preventing this. This is a reality. Under these circumstances, the question of what in the world [todaeche] the Armistice Agreement or the armistice organization is necessary for arises.

Under the present circumstances in which the Korean Armistice Agreement and the armistice organ [chongjon

kigu] can take no responsibility in bringing stability to the situation on the Korean peninsula and stopping military buildup [muryok chunggangul mang.undesol] but are used to shield the U.S. policy of crushing our country [urinarae taehan migugui apsal chongchaegul karinunde iyongdoegoinnun], it is natural that we can no longer hold any expectations of such an agreement and institution.

The state of armistice has been maintained and peace has prevailed on the Korean peninsula up to the present because of our Republic's patient peace-loving policy and volition.

A series of complicated and acute problems, including the nuclear issue, are raised today on the Korean peninsula. This is connected with the continuation of the armistice system which defines us and the United States—the actual parties to the Armistice Agreement—as the two warring opponents [choktae ssangbang].

The state of armistice of the fifties remains intact today after 40 years have elapsed. This is abnormal in every respect. The developments [cheban sate] created on the Korean peninsula demand that the Armistice Agreement be replaced by a peace agreement without fail and that a peace-guaranteeing system that substitutes the present armistice organ be established in order to eliminate the hostile relations between the DPRK and the United States, to achieve reconciliation, and to guarantee genuine peace and security on the Korean peninsula.

In this connection, the DPRK Government proposes to the United States that negotiations be held for the establishment of a new peace guaranteeing system, which can prevent military buildup and the recurrence of war on the Korean peninsula, stabilize the situation, and practically and reliably guarantee solid peace and security.

The United States should discard the concept of confrontation and the war mentality [taegyol kwannyomgwa chonjaeng simni] and respond to this peace proposal we are making.

[Dated] 28 April 1994, Pyongyang

KCNA Carries 'Text' of Statement

SK2804111794 Pyongyang KCNA in English 1100 GMT 28 Apr 94

["DPRK Government Proposes to USA To Hold Negotiation for Establishment of New Peace Arrangement"—KCNA headline]

[Text] Pyongyang, April 28 (KCNA)—The Foreign Ministry of the DPRK issued a statement today on the DPRK Government's position for the establishment of a new peace arrangement that will substitute for the present armistice mechanism in order to achieve non-hostile relations and rapprochement between the DPRK and the USA and establish genuine peace and security on the Korean peninsula.

The statement reads in full:

The statement of the Ministry of Foreign Affairs of the Democratic People's Republic of Korea

The illegalities of the United States in violating the Korean Armistice Agreement and paralyzing the armistice supervisory mechanism have now reached the climax.

The United States wrecked the third round of DPRK-USA talks when there emerged prospects of resolving satisfactorily the issues with respect to DPRK-USA relations, and now is massively deploying its Armed Forces on and around the Korean peninsula.

Despite the unanimous opposition of our people and the world public, the United States has defiantly shipped "Patriot" new-type missiles into South Korea for their combat-ready deployment by the end of April, and reportedly intends to force the "Team Spirit '94" joint military exercises, a nuclear war game, in November this year.

The United States has already beefed up its air fleet in South Korea with a squadron of "Apache" helicopters, and is reported to be planning to introduce various types of brigadesize combat armaments in the future. On the other hand, the U.S. Naval forces, which have clustered around the Democratic People's Republic of Korea, still stand by there, far from breaking up.

Thus, the United States has revealed through its own actions that it has scrapped completely the Korean Armistice Agreement, which was signed by the United States in the name of the United Nations with the Democratic People's Republic of Korea.

The fundamental requirements for maintaining the armistice arrangement are non-introduction of any operational materiel from abroad and cessation of arms buildup on the Korean peninsula now in a state of cease-fire. This notwithstanding, the United States has unilaterally broken the provisions of the Korean Armistice Agreement all along ever since the very year when it signed the agreement of July 1953, and introduced into South Korea up-to-date military hardware, including over 1,000 nuclear weapons.

It was at least for fear of a possible exposure of its intentional violations of the Korean Armistice Agreement that the United States had previously engaged in a camouflaged and clandestine introduction of an enormous quantity of its nuclear weapons and other armaments into South Korea, but these days the United States is shipping in and deploying its sophisticated missiles and combat technical equipment there openly and in broad daylight. This vividly shows that the United States has disowned the effectiveness of the Korean Armistice Agreement and ignores even its existence.

Over the period of a little more than four decades, the United States has acted against its own obligations as the real party to the Armistice Agreement, not only violating

and invalidating the provisions of the agreement systematically but also paralyzing the armistice supervisory mechanism.

In the years that followed the conclusion of the Armistice Agreement, the United States violated the agreement. As its own violations of the agreement were detected and disclosed by the neutral nations inspection teams of the neutral nations supervisory commission, the United States unilaterally forced the inspection teams to withdraw from the United Nations command-controlled area in June 1956, although the inspection teams were established pursuant to Section C of the Article II of the Armistice Agreement. Moreover, the United States malfunctioned the armistice mechanism in March 1991 when it designated a South Korean Army "general" as the chief delegate of the United Nations command to the Military Armistice Commission, for which he is totally unqualified because of legal irrelevance of this action to the Armistice Agreement.

Such unreasonable behaviour on the part of the United States has now turned the Korean Armistice Agreement into blank sheets of paper incapable of helping to ensure peace on the Korean peninsula and reduced the Military Armistice Commission to a de facto nominal and inoperative body in which its legitimate component parties have ceased to exist.

So far, the United States has systematically undermined the provisions of the Armistice Agreement, and is now threatening the Democratic People's Republic of Korea with force, while deploying its massive reinforcements on and around the Korean peninsula.

Such actions only add greater clarity to the United States' ulterior intent to strangle the socialist countries in Asia, including the Democratic People's Republic of Korea.

The current reality is that while the United States is behaving itself unchallenged in shipping its Armed Forces and armaments into South Korea and in aggravating the situation on the Korean peninsula to the brink of war at its discretion, the Armistice Agreement has proven itself so ineffective and helpless that it cannot play any role as an institutional mechanism established to prevent these actions. This situation poses a question of what are purposes the Armistice Agreement or armistice mechanism is intended to serve.

It is quite natural that the Democratic People's Republic of Korea will no longer entertain any expectations of the Korean Armistice Agreement and armistice mechanism, now that they have failed to live up to their responsibility for stabilizing the situation on the Korean peninsula and curbing military buildup there and they have been used for covering up the United States' policy of strangling the Democratic People's Republic of Korea.

It is only thanks to the patient and peace-loving policy and will of the Democratic People's Republic of Korea

that the armistice has so far stayed in place and peace has been maintained on the Korean peninsula.

A number of complicated and acute problems, including the nuclear issue, have cropped up on the Korean peninsula today due to the continued existence of the armistice under which the Democratic People's Republic of Korea and the United States, the signatories to the Armistice Agreement, are the parties to hostilities. It is abnormal, on every account, that the state of ceasefire of the 1950s should have lasted unchanged for four decades up to date.

All the developments on the Korean peninsula highlight the absolute necessity for establishing a peace arrangement, that will replace the Armistice Agreement with a peace agreement and substitute for the present armistice mechanism, with a view to achieving non-hostile relations and rapprochement between the Democratic People's Republic of Korea and the United States and to establishing genuine peace and security on the Korean peninsula.

In this connection, the Government of the Democratic People's Republic of Korea proposes to the United States of America that the two countries hold negotiations for the establishment of a new peace arrangement which will help to prevent arms buildup or recurrence of war, stabilize the situation and reliably guarantee durable peace and security on the Korean peninsula on a practical basis. The United States must renounce its confrontation-oriented concept and war psychology and respond to the above peace proposal of the Democratic People's Republic of Korea.

CNN Vice President Sends Thanks to Kim Il-song

SK2304060494 Pyongyang KCNA in English 0505 GMT 23 Apr 94

[Text] Pyongyang, April 23 (KCNA)—The great leader President Kim Il-song received a letter of thanks from Eason Jordan, senior vice president of CNN, who had visited the DPRK together with former heads of state and government and politicians of different countries.

Expressing thanks to President Kim Il-song for welcoming CNN to the DPRK, the letter dated April 19 says:

Our visit was a memorable one, with the high point our meeting with you on April 16th.

At the beginning of our trip, I wrote to you to reaffirm CNN's commitment to fair, balanced and objective coverage of the DPRK. After a week of reporting here, including a live broadcast from DPRK TV, I hope you will agree that we have maintained those high standards. In addition, I hope our reports have made some contribution to greater international understanding of your country and to the cause of world peace.

With this visit, I hope we have laid the groundwork for a long-term, positive and mutually beneficial relationship between CNN and the DPRK. We stand ready to return to Pyongyang at any time when warranted by important news developments, and we hope your government will continue to give positive consideration to our requests to travel here.

Again, many thanks for all you have done to help us.

CNN, Japan's NHK Thank Kim Chong-il

*SK2304110594 Pyongyang KCNA in English 1006
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—The dear leader Comrade Kim Chong-il received letters of thanks from the senior vice-president of the U.S. CNN and the Japanese NHK news coverage group that had visited Korea with former heads of state and government and politicians of different countries.

The letters dated April 19 expressed sincere thanks to Comrade Kim Chong-il for inviting them to visit and report on the DPRK.

Senior Vice-President of the U.S. CNN Eason Jordan in his letter of thanks said; "Our visit was extremely successful, especially our meeting and coverage of President Kim Il-song. We owe a great debt of gratitude to you".

He hoped that through coverage and report the CNN has made some contribution to international understanding of Korea and to the cause of world peace and laid the groundwork for a long-term and positive relationship with Korea.

The letter expressed once again thanks to consideration and support of Comrade Kim Chong-il.

The Japanese NHK news coverage group in the letter of thanks said that the invitation of the NHK coverage group representing Japan and CNN coverage group representing the United States under the present rigorous situation surrounding the Korean peninsula today was made by the wise decision of Comrade Kim Chong-il.

The letter continues:

As the old saying goes, "seeing is believing." The true looks of the DPRK which no one can know without visiting it and meeting people have been conveyed to the world, I believe.

NHK will in the future, too, make efforts for the improvement of the DPRK-Japan relations and for peace and prosperity of Northeast Asia on the basis of the deep cooperative relations with the DPRK hitherto.

The letter hoped that Comrade Kim Chong-il would understand such a stance of report of NHK and give guidance for the establishment of eternal relations

between NHK and the DPRK. It sincerely wished President Kim Il-song and Secretary Kim Chong-il good health and a long life.

Foreign Ministry Spokesman on Fuel Rod Replacement

*SK2704105394 Pyongyang KCNA in English 1042
GMT 27 Apr 94*

[“DPRK Foreign Ministry Spokesman on Replacement of Fuel Rod of Experimental Nuclear Power Station”—KCNA headline]

[Text] Pyongyang, April 27 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea answered a question put by KCNA today regarding the planned replacement of fuel rod of the 5 megawatt experimental nuclear power station in the DPRK.

He said:

We will soon begin the replacement of the fuel rod according to the operation plan of the 5 megawatt experimental nuclear power station for the present as part of the undertakings for the normalization of our peaceful nuclear activities.

As we pointed out already on April 4, we are not in a position to freeze the operation of our graphite moderated reactor system for an indefinite period since the implementation of the DPRK-USA agreement on the conversion of our graphite moderated nuclear reactor system into a light water system has become uncertain as a result of the abortion of the third round of DPRK-USA talks and, moreover, the prospect of the resumption of the DPRK-USA talks is dim at present.

In view of technical requirements, too, we can no longer delay the replacement of fuel rod of the 5 megawatt experimental nuclear power station.

Consistent is our stand to show the honesty of our nuclear activities, although the replacement of the fuel rod is being made while we are still in a unique status following the temporary suspension of the effectuation of our declared withdrawal from the Nuclear Non-Proliferation Treaty.

Hence, we decided to voluntarily notify the International Atomic Energy Agency [IAEA] of our plan for the replacement of fuel rod and, especially, to allow inspectors of the IAEA to observe the process of replacement of the fuel rod so that they may verify that nuclear materials are not diverted to non-peaceful purposes, and promptly issued entry visas to the inspectors as requested by the agency.

Observation activities of the agency may involve adequate contents of inspection for the continuity of safeguards, including observation of the activities for the replacement of fuel rod, measurement of all the fuel by the spent fuel rod counter, containment and surveillance

of all the replaced fuel by the agency, activities related to the agency's seal and monitoring apparatuses and examination of documents of operating and accounting records.

This shows that we are actively guaranteeing inspection activities of the agency with the utmost leniency and good will despite our unique status.

If inspection activities falling within the scope of routine and ad hoc inspections are raised in the course of the replacement of the fuel rod, they may be allowed after the nuclear issue is settled in a package deal at future DPRK-U.S. talks.

Truth to tell, we intended to discuss first the resumption of routine and ad hoc inspections within the framework of a package solution to the nuclear issue at the third round of DPRK-U.S. talks.

But we remain in a unique status with the abortion of the third round of talks. At this transitional stage observation of the replacement of the fuel rod cannot but be the inspection for the continuity of safeguards to verify non-diversion of nuclear materials.

We will leave the fuel rod to be replaced this time strictly under the containment and surveillance of the IAEA and fully provide the continuity of safeguards data.

We are studying the problem of "additional inspection" of the radiochemical laboratory raised during the March inspection activities of the IAEA in close relations with the attitude of the United States and the IAEA Secretariat.

Hence, we have already notified them that we are willing to allow an "additional inspection" as an exception after examining their future behavior in keeping with the change of the current situation surrounding the exchange of special envoys between the North and South.

If the United States and the IAEA Secretariat, ignoring our good will, rudely demand sampling and other inspection activities in disregard of our unique status at the time of the replacement of the fuel rod, we will have to regard it as a sinister political intention to continue more openly the campaign for stifling the DPRK over its peaceful nuclear activities.

When an irrevocable complex situation is created by that, we cannot hold ourselves responsible for it at all.

If the United States and the IAEA Secretariat respect our unique status and take a fair attitude and position, looking straight at the current situation, another opportunity of finding a fundamental solution to the nuclear issue will be created.

Rod Replacement To Begin 'Soon'

*SK2704110194 Pyongyang KCNA in English 1051
GMT 27 Apr 94*

["Fuel Rod of Experimental Nuclear Power Station To Be Replaced in DPRK"—KCNA headline]

[Text] Pyongyang, April 27 (KCNA)—According to a spokesman for the Foreign Ministry of the Democratic People's Republic of Korea, the DPRK will soon begin the replacement of the fuel rod according to the operation plan of the 5 megawatt experimental nuclear power station for the present as part of the undertakings for the normalization of our peaceful nuclear activities.

Answering a question put by KCNA today, the spokesman said:

Consistent is our stand to show the honesty of our nuclear activities, although the replacement of the fuel rod is being made while we are still in a unique status following the temporary suspension of the effectuation of our declared withdrawal from the Nuclear Non-Proliferation Treaty.

Hence, we decided to voluntarily notify the International Atomic Energy Agency of our plan for the replacement of fuel rod and, especially, to allow inspectors of the IAEA to observe the process of replacement of the fuel rod so that they may verify that nuclear materials are not diverted to non-peaceful purposes, and promptly issued entry visas to the inspectors as requested by the agency.

If inspection activities falling within the scope of routine and ad hoc inspections are raised in the course of the replacement of the fuel rod, they may be allowed after the nuclear issue is settled in a package deal at future DPRK-U.S. talks.

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When an irrevocable complex situation is created by that, we cannot hold ourselves responsible for it at all.

If the United States and the IAEA Secretariat respect our unique status and take a fair attitude and position, looking straight at the current situation, another opportunity of finding a fundamental solution to the nuclear issue will be created.

DPRK Red Cross Asks ROK To Release POW's

*SK2604104394 Pyongyang KCNA in English 1033
GMT 26 Apr 94*

[Text] Pyongyang, April 26 (KCNA)—Yi Song-ho, acting chairman of the C.C. [Central Committee], the DPRK Red Cross Society, in a telephone message to Kang Yong-hun, president of the South Korean Red Cross today, strongly urged that if the South Korean Red Cross is really interested in the solution of the humanitarian issue, it should return to the original stand of the Red Cross, though belatedly, and show an affirmative response to the North side's just demand for the repatriation of Kim In-so and Ham Se-hwan, prisoners of war.

Recalling that the South Korean Red Cross in its telephone message dated April 22 denied Kim In-so and Ham Se-hwan being prisoners of war, the message contends that, according to the Hague Convention on the articles and practices of war of 1907 and the August 12, 1949, Geneva Convention on the treatment of POWs, they who were active as guerrillas (militiamen) during the Korean war are, strictly speaking, prisoners of war and so they should naturally be treated as such.

Refuting the South side's argument that Kim and Ham are "criminals who murdered innocent people", the message says they are patriots who fought with arms in hand against foreign aggressors and the reactionary ruling quarters and traitors of South Korea.

As far as their "acquisition of (South Korean) nationality" is concerned, they did so to eke out existence because the South Korean side detained them, not sending them back, notes the message.

It says:

"Moreover, your side came up with the 'separated families issue', the questions of the return of crewmen of the ship 'Tongjin', the resumption of Red Cross talks and other issues that have nothing to do with the repatriation of Kim In-so and Ham Se-hwan. This is a far-fetched argument prompted by its intention to refuse our just request for their repatriation.

"All the issues raised by your side in the telephone message this time have nothing to do with the repatriation of Kim In-so and Ham Se-hwan. Yet, your side is trying to refuse our just request by connecting them with it in a far-fetched way even through the fabrication of things. This cannot be viewed as an honest stand of the Red Cross men."

The telephone message says the South side must realize that such act is contrary to the idea of the Red Cross humanitarianism, an act manipulated by the authorities seeking North-South confrontation.

Pomminnyon Urges ROK To Accept Conference Proposal

*SK2804103394 Pyongyang KCNA in English 1022
GMT 28 Apr 94*

[**"South Side's Authorities Urged To Accept North's Proposal for National Conference"**—KCNA headline]

[Text] Pyongyang, April 28 (KCNA)—The preparatory committee for the formation of the South side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) strongly urged the South side authorities to accept the proposal for the convocation of a national conference, a proposal initiated by the DPRK at a joint meeting of its government, political parties and public organizations on April 11 with a view to finding a way of achieving the great unity of the whole nation.

In a document distributed on April 15 it charged that the Kim Yong-sam "government" deepened the national division by refusing even to accept the proposal of the North, without so much as showing an attitude to sincerely examine it.

Noting that the crisis of the nation cannot be defused, nor can the way of an independent and peaceful reunification of the country be opened by such mode of dependence on outside forces as "South Korea-U.S.-Japan cooperation", the document stressed the only way is to activate diverse dialogues of all levels including dialogue between the government authorities and thus boost the sentiments of great national unity and find an independent solution.

It repeatedly urged the South Korean authorities to accept the proposal of the North for a national conference.

South's Dismissing Yi Said To Indicate 'Crisis'

*SK2804045194 Pyongyang KCNA in English 0440
GMT 28 Apr 94*

[**"NODONG SINMUN on Resignation of S. Korean 'PM'"**—KCNA headline]

[Text] Pyongyang, April 28 (KCNA)—Yi Hoe-chang a few days ago tendered his resignation as "prime minister [PM]" of South Korea four months after his appointment and Kim Yong-sam immediately endorsed it.

NODONG SINMUN today views his resignation as a virtual dismissal by the traitor Kim Yong-sam who hated his recent acts and words as a "challenge to the presidential authority."

His recent acts and words in question are that Yi Hoe-chang "attempted to control the state affairs" by

ordering the participants in a "coordinating meeting on the policy of reunification and security" to report the results of the meeting before implementing them. The meeting was held with the participation of "Chongwadae [presidential office]" clan and "cabinet ministers" concerned, but in his absence.

The news analyst says:

The power struggle erupted because both the traitor Kim Yong-sam and the "prime minister" were captives to greed for "government power."

South Korea is a virtual colony of the United States, so the "president" Kim Yong-sam cannot make a "policy" at his will. This being the fact, it is foolish of the "prime minister" to try to lead the "administration".

Yi Hoe-chang's lot is the unavoidable fate of a colonial puppet.

Anyhow, it is obvious that the dismissal of the "prime minister" is a product of the crisis of the "civilian government" of South Korea.

It is one year or more since the emergence of the Kim Yong-sam regime but the third "prime minister" has to be appointed now. How long will this unstable home be maintained?

Shouts for "down with Kim Yong-sam" are growing louder outdoors and the power struggle is getting more serious indoors. This is a sign of the collapse of the "civilian government."

Daily Denounces ROK Hwarang Military Exercise

*SK2704044994 Pyongyang KCNA in English 0439
GMT 27 Apr 94*

[Text] Pyongyang, April 27 (KCNA)—The Kim Yong-sam puppet clique have started the "Hwarang" military exercise with the mobilization of the puppet army, police and reserve forces, more than 1,300,000 in all, crying over the non-existent "threat from the North."

NODONG SINMUN today says this reveals again their treacherous nature in seeking only confrontation and war.

The analyst says:

A grave situation has been created on the Korean peninsula by the war moves of the United States and the South Korean puppets.

While visiting South Korea, U.S. Defense Secretary William Perry was closeted with the puppets to examine war preparations and declared that the "Team Spirit" nuclear manoeuvres would be resumed in November.

The Kim Yong-sam puppet clique frequently stage provocative war games of the puppet army including operations for breaking through the Military Demarcation Line. Recently, they checked the reserve ammunition.

It is obvious that the "Hwarang" is motivated by a sinister intention to drive not only the puppet army but also para-military forces and inhabitants into war manoeuvres against the North.

Through the military exercise, the Kim Yong-sam puppet clique are seeking to divert the attention of the people elsewhere, save the crisis and justify their policy of confrontation and war.

But the days of traitorous regime, estranged by the nation, are numbered.

VNS Cited on Distribution of Kim Il-song Brochure

*SK2204103794 Pyongyang KCNA in English 1011
GMT 22 Apr 94*

[Text] Pyongyang, April 22 (KCNA)—The members of the "April 15 Fellowship Society" active in Mapo, Seoul, excited people by making and distributing copies of a literature carrying their resolution on the auspicious holiday of April 15, the Seoul-based Radio Voice of National Salvation [VNS] reported.

The front side of the 15x25 cm vellum paper reads under the headline "Let Us Significantly Greet April 15, Common Fete of the Nation":

"April 15 is a significant day when President Kim Il-song, the peerless patriot and mental support of the 70 million Koreans, was born.

"President Kim Il-song peerless in our nation's history of thousands of years is a symbol of the dignity and prosperity of the nation and the great lodestar of national reunification. The birth of President Kim Il-song was the greatest joy and fortune for our nation and mankind.

"Let us all significantly greet his birthday as the common fete of the nation."

The reverse side of the literature reads under the headline "Our Resolution": "The April 15 Fellowship Society solemnly declares it will greet the birthday of the great President Kim Il-song as the greatest fete of the nation."

It carries a five-point resolution of the society vowing to deeply study and grasp the greatness of President Kim Il-song and discharge its mission as the vanguard in the struggle for national reunification under the banner of the 10-point programme of the great unity of the whole nation.

WPK 'Friendship Visiting Group' Departs for China

*SK2504112094 Pyongyang KCNA in English 1019
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—A friendship visiting group of the Workers' Party of Korea [WPK] led by Sok Chang-sik, a vice department director of the WPK Central Committee, left here today to visit China.

It was seen off at Pyongyang Railway Station by Kim Yang-kon, a vice department director of the WPK Central Committee and a councillor of the Chinese Embassy in Pyongyang.

Group of Korean Residents in Japan Arrive

*SK2304045094 Pyongyang KCNA in English 0430
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—A delegation of officials of the General Association of Korean Residents in Japan (Chongnyon) headed by Yu Kwang-su, a department director of the Chongnyon Central Standing Committee, a delegation of Chongnyon officials headed by Chong Chun-sik, vice-director of a department of the Chongnyon Central Standing Committee, a home-visiting group of Korean students in Japan headed by Chin Il-nam and the 210th short-term home-visiting group of Korean residents in Japan arrived in Wonsan on April 22 by the ship "Mangyongbong-92" for a visit to the socialist homeland.

Anniversary of Pyongyang Declaration Marked

NODONG SINMUN Comments

*SK2204110794 Pyongyang KCNA in English 1055
GMT 22 Apr 94*

[Text] Pyongyang, April 22 (KCNA)—The Korean people extend militant greetings and solidarity to all the revolutionary people of the world, renewing their revolutionary resolution to steadily defend the cause of socialism, the human cause of independence, from the counterrevolutionary offensive of the international reactionaries, develop it and remain loyal to it, on the lapse of two years since the historical Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism" was published on April 20, 1992, says NODONG SINMUN in a signed article today.

The article notes:

The Pyongyang declaration was signed by 70 political parties of the world at the time of its adoption but, in two years, the number of the signers has reached 213. As this figure shows, the declaration has evoked warm support and deep sympathy among the world's revolutionary people to be accepted as an action programme for the cause of socialism, the human cause of independence.

Touching on its great attraction and invincible vitality, the paper says:

A dynamic movement is going on in all parts of the world at present to defend and advance the cause of socialism in the spirit and idea of the Pyongyang declaration.

The propaganda of the imperialists and bourgeois restorationists about the mistaken socialist idea and "collapse" of socialism is a sheer sophism and it is nothing but a trick to embellish reactionary capitalism which has no future and maintain the old order of domination and subjugation.

It is not socialism but imperialism and revived capitalism which are nearing their downfall in a grave crisis.

As socialism has to cover an untrodden path hewn by mankind, there may be turns and twists and trials in the course of its advancement, but it is a historical necessity that it emerges victorious for its truth, validity and vitality.

The victory of the cause of socialism can not be expected without a common struggle of the world's revolutionary people.

What is important here is that the revolutionary parties and people should keep to independence and strengthen the driving forces.

As socialism is pioneered and built by the national state as a unit, the cause of socialism in each country should be undertaken and carried out by its party and people, being the masters of it.

To keep faith in and principle of socialism is an essential condition and an important guarantee for defending and developing the cause of socialism.

Today when the international reactionaries are challenging socialism with an allied force, it is more necessary for all the forces aspiring after socialism to firmly unite and cooperate with each other.

The Korean people will fight vehemently to smash the anti-socialist offensive of the international reactionary forces and achieve the progress and final victory of the cause of socialism, in close solidarity with the world's revolutionary people.

Message From Bolshevik Party

*SK2504054194 Pyongyang KCNA in English 0459
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—The dear leader Comrade Kim Chong-il received a solidarity message from Nina Andreyeva, general secretary of the Central Committee of the All-Union Bolshevik Communist Party, on the second anniversary of the publication of the Pyongyang declaration.

The solidarity message dated April 14 says the declaration is of particular significance in the struggle to defend and advance the cause of socialism and in strengthening the unity and solidarity of the international communist and working-class movements.

It further says:

The All-Union Bolshevik Communist Party calls for the full achievement of the aim and principles of the Pyongyang declaration and it is conducting activities to check the return to capitalism and reconstruct the Union of Soviet Socialist Republics.

We will, in the future, too, extend every possible political support to the peoples struggling for defence of their freedom and independence against imperialism and for the victory of socialism in our planet.

The All-Union Bolshevik Communist Party highly appreciates the role of the great leader Comrade Kim Il-song and you, the dear leader, and the Workers' Party of Korea in the publication of the Pyongyang declaration which opened up a new phase for the unity of the world communist movement and revolutionary movement.

Russia, Peru Observe Anniversary

*SK2304110394 Pyongyang KCNA in English 1020
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—The second anniversary of the publication of the Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism" was observed in Peru and Russia.

The declaration was adopted in April 1992 by leaders and representatives of political parties advocating socialism who came to Pyongyang to celebrate the 80th birthday of the great leader President Kim Il-song.

Genaro Ledesma Izquieta, chairman of the People's Front of Workers, Peasants and Students of Peru, made a speech at a meeting held at the front on April 13.

He said it is only two years since the adoption of the Pyongyang declaration, but more than 200 parties have signed it and its vitality is growing day by day.

"The Pyongyang declaration, which clarified the superiority of socialism to capitalism, the inevitability of the victory of socialism and the tasks and ways of defending and advancing socialism, has served as a weapon for the socialists in their struggle," he said, adding that his front which also signed the declaration would resolutely fight to defend and advance the cause of socialism.

In his speech at a meeting with representatives of Russian political parties held in Moscow April 20, V.I. Anpilov, secretary of the Central Committee of the Russian Communist Workers' Party, said "the Pyongyang declaration is the hope of our cause and the beacon of socialism for the communists." "In the struggle for socialism," he continued, "the Workers' Party of Korea and its leaders Comrade Kim Il-song and Comrade Kim Chong-il show an example."

A.A. Rapin, secretary of the Central Committee of the All-Union Bolshevik Communist Party, in his speech said the Pyongyang declaration opened a new high stage in the development of the international communist

movement and the working-class movement. "This declaration will be recorded in history along with the 'communist manifesto'," he said.

Foreign Parties Lend Support

*SK2304112094 Pyongyang KCNA in English 1037
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—Leaders of political parties of different countries expressed full support to and sympathy with "Let Us Defend and Advance the Cause of Socialism", the Pyongyang declaration published in Pyongyang in April 1992.

Branko Kitanovic, general secretary of the New Yugoslav Communist Movement, said that delegates of many communist and workers' parties and political parties of many countries aspiring after socialism gathered in Pyongyang and declared to the whole world that they would struggle for the victory of socialism, and this was a historical event which marked a new milestone in the strengthening and development of the socialist and communist movement.

The Pyongyang declaration, he said, serves the communists and progressive peoples of the world as a common fighting program in rebuilding the socialist and communist movement and advancing the cause of socialism with a clear fighting goal on a new basis after socialism has suffered a setback and capitalism has revived in East European countries owing to moves of the renegades of revolution.

Guillermo Garcia Ponce, general secretary of the "New Alternative" of Venezuela, in a statement issued to the press said the Pyongyang declaration is an inspiring banner which gave firm confidence in victory to the revolutionary parties and people of the world aspiring after socialism, and it declared to the whole world that the victory of the socialist cause is inevitable.

Guzman Rivera Castaneda, general secretary of the Revolutionary Socialist Party of Peru, said the Pyongyang declaration is a fine document which dealt a telling blow at the imperialists who were resorting to vicious anti-communist rackets, making a bluff.

Sean Garland, member of the Central Executive Committee of the Workers' Party of Ireland, said the Pyongyang declaration is the source of unity of all the progressive forces. The fact that more than 200 revolutionary parties and progressive political parties of the world signed the declaration fully proves its great vitality, he added.

Ludo Martens, chairman of the Central Committee of the Belgian Labour Party, said the Pyongyang declaration is a solemn declaration announcing a new start of the communist movement. The just cause of the revolutionary parties of the world who are advancing under the banner of this declaration is sure to be crowned with victory, he stressed.

Further on Celebration of Kim Il-song Birthday

Foreign Countries Mark Day

*SK2204105994 Pyongyang KCNA in English 1033
GMT 22 Apr 94*

[Text] Pyongyang, April 22 (KCNA)—A national seminar on the *chuche* idea was held in Helsinki on the occasion of the birthday of the great leader President Kim Il-song.

Pekka Rantala, chairman of the Finnish National Committee for the Study of the *Chuche* Idea, made a report, followed by speeches.

They noted that President Kim Il-song authored the *chuche* idea during the anti-Japanese revolutionary struggle and has applied it in all fields of the revolution and construction and built Korea to be a model country of socialism as today.

They said Korea is making a great progress in the revolution and construction under the banner of socialism, not wavering in face of the pressure and provocations of the imperialists, because it is guided by the *chuche* idea authored by President Kim Il-song.

The *chuche* idea now serves as the undisputed guiding idea in the building of socialism and communism and the most universal guiding idea from which the world people learn, they added.

A congratulatory message to President Kim Il-song was adopted at the seminar.

DPRK book, photo and handicraft exhibitions and film shows for April 15 took place in Montevideo, Uruguay, Almada City, Setubal Province, Portugal, and Islamabad, Pakistan, and at the Madagascan metropolitan special police headquarters, the Lagos Liaison Office of the General Film Bureau of Nigeria and the sky line company of Thailand.

Foreign Media Said To Observe Day

*SK2304110494 Pyongyang KCNA in English 1015
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—Foreign newspapers edited special write-ups and radios broadcast special programmes on the occasion of the birthday of the great leader President Kim Il-song.

The Thai paper SIN CHUNG YUAN PAO said under the title "President Kim Il-song's Worship of People":

President Kim Il-song's worship of the popular masses epitomizes deep respect, care and love for them, devoted service for them, absolute belief in their great strength and reliance on it.

Korea's compulsory free education, free medical care, abolition of taxation, free grant of dwelling houses built at state expenses, that make people happy, are all a fruition of the president's worship of the people.

The people express their feelings, saying they owe their motherland and future to the leader who backs and leads them.

The noble relations of kinship between the leader and the people who worship each other produced Korea's unique society where the leader and the people are closely united into one.

The Thai paper XING SAN RIBAO carried an article headlined "President Kim Il-song's Motto—To Believe in the People as in Heaven."

The Ugandan paper MUNNO, the Nepalese paper RISING NEPAL and the Romanian magazine EUROPA also dedicated articles to April 15.

The Russian paper PATRIOT devoted two whole pages to special writeups under headline "For Happiness of the People and Prosperity of the Country" with a portrait of President Kim Il-song.

Work Published in Portugal

*SK2304111894 Pyongyang KCNA in English 1044
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—The great leader President Kim Il-song's famous work "Enhancing the Role of the Popular Masses is the Guarantee for Victory in the Cause of Independence" was published in booklet by the Grafica Europa publishing house of Portugal, on the occasion of his birthday.

The preface of the booklet says:

President Kim Il-song of the Democratic People's Republic of Korea is recognised by the world people as the leader who has adorned the current century with unheard of great traces which will remain in the history of mankind.

President Kim Il-song is respected by the entire Korean people as well as hundreds of millions of people all over the world as he has devoted his 80 odd years to the people as their son.

Foreign Papers Carry Biography of Kim Il-song

*SK2404091094 Pyongyang KCNA in English 0800
GMT 24 Apr 94*

[Text] Pyongyang, April 24 (KCNA)—The text of the brief biography of the great leader President Kim Il-song was carried by the Nepalese paper KATHMANDU POSO, the Russian paper KRASNAYA ZNAMENIYA and the Indian papers WORUM, PROLETARIAN ERA, DELHI BLITZ, HIND, CULCUTTA SEKIGRAM RURAL and DELHI CONGRESS on his birthday.

The Pakistani papers NIDAZ WAQT and WAFAQ carried a brief history of the revolutionary activities of President Kim Il-song.

Foreign Party Leaders Greet Kim Il-song*SK2504111494 Pyongyang KCNA in English 1015
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—The great leader President Kim Il-song received solidarity messages supporting the struggle of the Korean people to defend national dignity and sovereignty of the country from general secretary of the popular force organized in Costa Rica Jose Francisco Aguilar Bulgarelli, chairman of the People's Front of Workers, Peasants and Students of Peru Genaro Ledesma Izquieta, general secretary of the Central Committee of the Communist Party of Peru (Red Motherland) Alberto Moreno, acting leader of the February 18th Movement of Trinidad and Tobago Vincent Cabrea, general secretary of the Central Committee of the Dominican Communist Party (Marxism-Leninism) Leopoldo Grullon and federal secretary of the Communist Party of Austria Walter Bayer.

The great leader President Kim Il-song and the dear leader Comrade Kim Chong-il received a solidarity message from chairman of the Central Committee of the Communist Party of Denmark (Marxist-Leninist) Klaus Riis.

The solidarity messages say the just stand maintained by the government of the Democratic People's Republic of Korea is a guideline of the world people's struggle to defend freedom and independence against aggression and interference of the imperialists and fully support it.

Noting that the struggle of the Korean people is one to defend national sovereignty and socialism and to reunify the country and nation in a peaceful way, the messages state that they would extend firm solidarity to the struggle of the Korean people in the future, too.

Kim Il-song Sends Message to Tanzanian President*SK2504111694 Pyongyang KCNA in English 1017
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea sent a message of greetings on April 24 to President Ali Hassan Mwinyi of the United Republic of Tanzania on the occasion of the 30th founding anniversary of the republic.

President Kim Il-song in his message said the founding of the United Republic of Tanzania was an event of great importance in the history of the Tanzanian people and a great progress has been made in Tanzania in the work for national unity and the building of a new society in the past 30 years.

He wished the president and people of Tanzania big success in the work for the independent development of the country and expressed the belief that the friendly and cooperative relations between the two countries would continue to develop on good terms.

Premier, Foreign Minister Greet Kuwaiti Counterparts*SK2504060094 Pyongyang KCNA in English 0516
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—The premier of the Administration Council of the Democratic People's Republic of Korea, Kang Song-san, sent a message of greetings to Shaykh Sa'd al-'Abdallah al-Salim al-Sabah upon his reappointment as prime minister of Kuwait.

The message wished him success in his responsible work for the reconstruction and prosperity of the country.

Foreign Minister Kim Yong-nam sent a message of greetings to Shaykh Sabah al-Ahmad al-Jabir upon his reappointment as foreign minister of Kuwait.

Messages Exchanged With Zambia on Diplomatic Ties*SK2404091294 Pyongyang KCNA in English 0813
GMT 24 Apr 94*

[Text] Pyongyang, April 24 (KCNA)—Foreign Minister Kim Yong-nam sent a message of greetings to Zambian Foreign Minister Remmy K.K.G. Mushota on the 25th anniversary of the establishment of diplomatic relations between the Democratic People's Republic of Korea and the Republic of Zambia.

Noting that the friendly relations between the two countries have developed amid the expectation and concern of the two peoples after the opening of the diplomatic relations, the message expressed the belief that these relations would continue to develop.

Wendy W. Sinkalamembe, acting foreign minister of the Republic of Zambia, in a message of greetings to Foreign Minister Kim Yong-nam expressed the belief that the deep friendly and cooperative relations between the peoples of the two countries would continue to strengthen and develop in the future.

Kim Chong-il Library Opened in Madagascar*SK2304111994 Pyongyang KCNA in English 1042
GMT 23 Apr 94*

[Text] Pyongyang, April 23 (KCNA)—The opening ceremony of the Kim Chong-il Library took place at a senior middle school in Antananarivo, Madagascar, on April 13.

The principal of the school in his address said dear Comrade Kim Chong-il is not only wisely leading the Korean people along the road of victory despite the complex international situation but also clearly indicating the road ahead of the revolutionary people of the world and showing great favours for them.

He said the students must learn from dear Comrade Kim Chong-il, a great man. To this end, the Kim Chong-il Library was opening, he added.

After the ceremony the participants saw a DPRK photo exhibition and an art performance.

Turkish Workers' Party Chief Tours Pyongyang

*SK2204103694 Pyongyang KCNA in English 1018
GMT 22 Apr 94*

[Text] Pyongyang, April 22 (KCNA)—Yalsin Buyukdagli, general secretary of the Workers' Party of Turkey, told KCNA that he was firmly convinced that the heroic Korean people would as ever defend socialism to the end by frustrating moves of the reactionary forces including the U.S. imperialists at every step.

He said that while touring various places in Pyongyang, he deeply felt the noble personality of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il who have been devoting their all for the happiness and welfare of the people, always finding themselves among the people.

Wonderful, indeed, are the perfect natural environment, always clean streets and rational traffic conditions of Pyongyang and admirable employment conditions for all, he said.

Saying the struggle of the Korean people who are resolutely safeguarding socialism and fighting in defence of justice enjoys unquestioned support of the progressive people of the world, whereas the U.S. imperialists' ambition for world domination is faced with opposition and rejection by the broad public, he stressed that the downfall of imperialism is inevitable.

The Korean people who are waging a resolute anti-imperialist struggle under the wise leadership of Comrade Kim Il-song and Comrade Kim Chong-il will thoroughly smash the U.S. pressure and provocation moves, and no one can bring to their knees the Korean people who have risen up with a death-defying determination, he said.

WPK Sends Greetings to Greek Socialists

*SK2204112194 Pyongyang KCNA in English 1057
GMT 22 Apr 94*

[Text] Pyongyang, April 22 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] sent a message of greetings on April 17 to Andreas Papandreou upon his reelection as president of the Panhellenic Socialist Movement.

Expressing the belief that the friendly and cooperative relations between the WPK and the Panhellenic Socialist Movement would grow stronger and develop in conformity with the idea of independence, peace and friendship, the message wished the president a new success in his responsible work for the strengthening of the Panhellenic Socialist Movement and the progress of the country.

Further on Events Marking KPA Anniversary

Article Recalls Kim Chong-il Work

*SK2404092394 Pyongyang KCNA in English 0830
GMT 24 Apr 94*

[“Great Work Which Enables KPA To Fully Discharge its Mission and Duty”—KCNA headline]

[Text] Pyongyang, April 24 (KCNA)—NODONG SINMUN today carries a signed article on the lapse of ten years since the dear leader Comrade Kim Chong-il published his famous work “The People's Army Must Defend Its Leader and Party, Political System and Motherland With Its Life”.

In his speech at the banquet arranged on the 52nd [as received] anniversary of the foundation of the Korean People's Army [KPA], Comrade Kim Chong-il, supreme commander, put forward tasks to build up the People's Army more firmly and increase its might, declaring it is the revolutionary Armed Forces of the party and its mission is to guarantee the revolutionary cause of the party with arms.

The daily in the article titled “It is Duty of the People's Army to Defend the Party and the Leader and the Political System and the Motherland With Its Life” says:

It is a famous work greatly conducive to Army building and the accomplishment of the revolutionary cause as it gives answers to all problems arising in strengthening the People's Army into the Army of the leader and the party.

The idea, theory and policy for building the Army and strengthening it, which are specified in the work, have displayed great vitality through practices and their validity and attraction fully demonstrated.

The validity and vitality of the work are clearly manifested, above all, in that the backbone ranks of the People's Army have been built up more firmly and the whole Army is filled with the unshakable determination to be intensively loyal to comrade supreme commander and to share the destiny with him.

Today the KPA's backbone ranks have grown markedly and their role in Army building and military activities is constantly increasing.

Unshakable in its determination to be intensively loyal to General Kim Chong-il, supreme commander, our People's Army has become invincible ranks firmly defending the party and the leader, the socialist motherland without vacillation in any storm.

The validity and vitality of the work are also expressed evidently in that the whole Army has become matchless ranks in which an iron discipline of remaining intensively loyal to comrade supreme commander has been established.

The intention and plan of comrade supreme commander are quickly and correctly conveyed to each soldier and

the whole Army breathes the same breath with him and thinks and acts as he intends. This is the proud looks of the Korean People's Army.

The KPA now is an ideological united body of true revolutionary soldiers who are struggling with the idea of General Kim Chong-il, supreme commander, as its unshakable faith.

Its validity and vitality are manifested next in that the KPA is fully demonstrating its might as a matchless Army well prepared militarily and technically.

It is displaying its honor as strong, revolutionary armed forces equipped with both modern offensive and defensive means.

The present reality shows that a revolutionary Army can have invincible might and demonstrate its honor as glorious revolutionary Armed Forces which reliably defend their party and leader, the socialist motherland and the gains of the revolution when it has a genius of military arts and ever-victorious, iron-willed brilliant commander as its supreme commander, the paper stresses.

Article Praises KPA

SK2604072694 *Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 26 Apr 94*

[Unattributed talk: "The Korean People's Army, Which Highly Upholds the Dear Leader Comrade Kim Chong-il as the Supreme Commander, is Ever-Victorious and Invincible"]

[Text] Today, our People's Army has grown to be an ever-victorious and invincible revolutionary armed force under the wise leadership of the respected and beloved supreme commander Comrade Kim Chong-il, and is proudly displaying its dignity.

Having an ever-victorious and invincible mighty revolutionary Army is one of the fundamental difficulties in pioneering the nation's fate and future. The revolutionary Army is organized and led by the party and the leader. We cannot think about the revolutionary Army's existence and activities, and revolutionary armed force building and its strengthening and development, without the leadership of the party and the leader.

Since the leader [yongdoja] plays a decisive role in the revolutionary armed force building, determining the might of an organized Army is dependent on the greatness of the leader [yongdoja] leading it. As history proves, an Army that fights by highly upholding an outstanding leader [suryong] and leader [yongdoja] has nothing to be afraid of, and it will always be ever-victorious possessed with an invincible might.

The dear leader Comrade Kim Chong-il has pointed out: The party's leadership toward the People's Army is a basic guarantee in all victories of the People's Army.

It is the privilege of our People's Army today to highly uphold the dear leader Comrade Kim Chong-il at the top position of the country's national defense capacity and the revolutionary armed force, and it has become all the more strengthened and developed and an ever-victorious and invincible revolutionary armed force under his wise leadership.

The dear leader Comrade Kim Chong-il, who is the supreme commander, developed and completed the chuche-oriented military ideology and theory, and strengthened and developed the People's Army into a revolutionary Army of one-a-match-for-one-hundred. He is a military commander of extraordinary caliber.

Most of all, the dear leader Comrade Kim Chong-il formulated the chuche-oriented military ideology and theory and war methods through the brilliant ideological and theoretical activities by linking it with the great leader's esteemed name. He also developed and completed it with new ideological and theoretical assets.

Scientifically formulating and intensifying and developing the military theory put forth by the leader [suryong] is one of the fundamental problems in the cause of founding the Army of the working class and in developing the military ideology and theory.

The military theory put forth by the leader [suryong] must be scientifically formulated, and its intrinsic content, structural system, and fundamental characteristics must be clarified. With this as a cornerstone, military building and military activities can be successfully realized in accordance with the leader's ideology and intention without the slightest deviation.

The chuche-oriented military science, systemized and formulated by the dear comrade leader, is a perfected military science that consists of military theory and system of war methods elucidated by the man-centered military ideology and the dear comrade leader.

What is especially important in the military ideology and theory newly put forth by the dear comrade leader is the ideology and theory of modeling the whole Army after the chuche idea. The ideology and theory of modeling the whole Army after the chuche idea is the highest program of military building in which the People's Army must be firmly adhered to in strengthening and developing the Army as the Army of the leader and Army of the party. Here, the ultimate goal and direction, struggle tasks, and methods of military building are wholly synthesized.

The dear comrade leader also gave an overall scientific elucidation in all theoretical and practical problems arising in military building and activities, such as the ideology and theory on the essence of the revolutionary war and the inevitability of its victory; the characteristics of a modern war and the theory of building the country's national defense capacity; the method to deploy armed

struggle and the chuche-oriented war method; and the chuche-oriented system and art of commanding the Army.

The dear leader Comrade Kim Chong-il is a great leader [yongdoja] who strengthened and developed our People's Army into an Army of the party through extraordinary leadership. Endlessly strengthening and developing the Army of the working class into an Army of the leader and an Army of the party, is a fundamental problem in defending the revolutionary character of the Army and fulfill its historical mission and duty.

When the revolutionary Army is made through and through into an Army of the party, the Army can become a peerless Army that defends and safeguards the party's cause with arms. What is most important in the respected and beloved comrade supreme commander's leadership in making the People's Army an Army of the party is to single-heartedly unite the whole Army based on loyalty toward the party and the leader.

The respected and beloved comrade supreme commander elucidated loyalty toward the party and the leader as being of the utmost importance to the life of the army, and that we cannot fathom the army's single-hearted unity and existence. He made it so that the process of modeling the whole army after the chuche idea is to firmly establish a revolutionary view of the leader amid all the officers and men, and to bear in their hearts, loyalty toward the party and the leader as a revolutionary faith and integrity.

In particular, the respected and beloved comrade supreme commander has brought forth a loyal slogan "Let Us Sacrifice Our Lives for the Great Leader!" within the People's Army and has led the People's Army to live and struggle in conformity with such a demand. Thus, he has impregably strengthened the single-hearted unity of the entire army based on the loyalty toward the party and the leader [suryong].

Thanks to the leadership of the dear comrade leader, the single-hearted unity between the leader [suryong], the party, and the Army have become a community of one fate bound together with one life; a unified body of ideology and will held together by hearts bursting with loyalty and filial duty; and one in body and spirit upholding the comrade supreme commander with the force of arms.

Firmly establishing the party's system of leadership within the army is a fundamental demand to develop and enrich the People's Army into the party's army.

The respected and beloved comrade supreme commander has set up the powerful revolutionary discipline by which the entire army moves as one under the unitary leadership of the party center. Likewise, he has taken steps for commanders, party members, and the members of the League of Socialist Working Youths of Korea [LSWYK] to endlessly strengthen the organizational, ideological life with a high view of the organization.

In doing so, the revolutionary work system and discipline that can firmly guarantee the uniformity of the party's leadership within the People's Army has been set up. The steel-like revolutionary military ethos in which all the officers and men move as one according to the party's order and direction was also established.

In order to fully prepare our People's Army with the qualities befitting the leader's [suryong] army, the party's army, and the People's Army, the respected and beloved comrade supreme commander has paid much attention to the work to ensure officer-men unity, army-people unity, and party members-LSWYK members unity, and has wisely led the work. Thus, in our country, commanders and soldiers, the army and the people, and party members and LSWYK members are faithfully upholding the party's cause with one mind and will.

The dear leader Comrade Kim Chong-il, the supreme commander, has firmly brought up our People's Army as indomitable ranks possessed of the one-a-match-for-100 combat capacity. The army's combat capacity can be assessed by the superiority of its military technology and armed equipment, along with its political, ideological superiority. A war is confrontation not only of soldiers' political, ideological strength but also of fighting means and armed equipment. Such being the case, in order to prevail over the enemy, we need to endlessly promote the quality and quantity of the army's arms supply.

With his insight into the role and importance of armed equipment in a war, the respected and beloved comrade supreme commander has wisely led the work to modernize the army with modern weapons and combat and technical equipment. Thus, our People's Army today has become brilliantly prepared with modern combat and technical equipment necessary for an attack and defense, and demonstrated its majestic appearance at the military parade marking the 60th anniversary of the foundation of the Korean People's Army.

Important issues arising in the work to strengthen the combat capacity of the People's Army is that of firmly preparing the soldiers of the People's Army militarily and technically, and of strengthening military training strategically and tactically.

Having set forth a revolutionary slogan "Training Is Also Combat" to the People's Army, the respected and beloved comrade supreme commander has led the work of strengthening training over all else.

Thanks to the leadership of the respected and beloved comrade supreme commander, our People's Army has been brought up as an invincible army of one-a-match-for-hundred firmly equipped with modern weapons and combat and technical equipment of our style, and possessed of high military technology and the chuche-motivated war method. With those means, the People's Army can resolutely smash any enemy and defend the chuche revolutionary cause with the force of arms. Truly, our People's Army has been all the more brought up as the invincible ranks and traversed the path

to glorious victory by upholding the wise leadership of the dear leader Comrade Kim Chong-il, the supreme commander. There is no enemy that can match the might of our People's Army that has been trained and tempered through arduous and difficult flames of struggle with the dear leader Comrade Kim Chong-il at the head of the revolutionary armed forces.

Our people and People's Army, as in the past, will vigorously push ahead with the socialist construction and reliably defend the party's cause and the nation's security by firmly uniting around the party and the leader [suryong].

Choe Kwang Meets Military Attaches

*SK2504092794 Pyongyang Korean Central
Broadcasting Network in Korean 2200 GMT 24 Apr 94*

[Text] The military attaches of embassies of various countries visited the Ministry of People's Armed Forces on 24 April and enthusiastically congratulated the 62d anniversary of the founding of the heroic Korean People's Army [KPA].

Comrade Choe Kwang, chief of the General Staff of the KPA, and officers and men and military officers of the KPA welcomed the guests.

During the meeting, the military attache of the Russian Embassy Georgiy Mariyasov, who is the head of the military attaches corps, said that he sends warm military greetings to all the officers and men of the KPA who are welcoming the 62d anniversary of its founding. He also continued:

The KPA that has a glorious history of 62 years overcame all difficulties and reliably defended the fatherland's security and the country's sovereign rights. The KPA founded by the respected and beloved leader not only achieved a great victory in the anti-Japanese armed struggle, but it was all the more developed into a strong regular armed force.

Today the KPA is highly upholding Comrade Kim Chong-il, who is a great man [widaehan pun], as its supreme commander. We are glad over the fact that the Korean people and soldiers of the People's Army are able to uphold two great leaders [widaehan tubunui yongdoja]. On the anniversary of the KPA, we give our sincere greetings to those great leaders.

Currently, the imperialists are strengthening pressure and maneuvers of isolation toward the DPRK. We actively support all the just steps taken by your country against the imperialists' unreasonable maneuvers. We hope that there will be greater results in the Korean people's struggle to strengthen socialist construction and the country's defense capabilities, and to reunify the fatherland.

Military Attaches Greet KPA

*SK2504061394 Pyongyang KCNA in English 0523
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—The military attaches of foreign embassies in Pyongyang on Sunday visited the Ministry of People's Armed Forces to extend greetings on the 62nd founding anniversary of the heroic Korean People's Army [KPA].

Military attache of the Russian Embassy Georgiy Mariyasov who is the doyen of the military attaches corps said the Korean People's Army greeting its 62nd founding anniversary has reliably defended the security of the motherland and the sovereignty of the country, overcoming all difficulties.

He further said:

"Today the Korean People's Army is holding in high esteem Comrade Kim Chong-il, a great man, as its supreme commander.

"We are glad to note that the Korean people and the People's Army soldiers have two great leaders.

"Though the imperialists are intensifying their pressure on the DPRK and manoeuvrings to isolate it, we actively support all the reasonable steps taken by your country against their unjustifiable moves.

"We wish the Korean people greater achievements in socialist construction and in their efforts to increase the nation's defence capabilities and reunify the country."

Embassies in Russia, Cuba Host Functions

*SK2404114894 Pyongyang Korean Central
Broadcasting Network in Korean 2100 GMT 23 Apr 94*

[Text] On the occasion of the 62d anniversary of the founding of the heroic Korean People's Army [KPA], the DPRK Embassy in Russia hosted a reception on 22 April. Portraits of the great leader Comrade Kim Il-song and that of the dear leader Comrade Kim Chong-il was present at the front of the reception site.

Invited to the reception were Colonel General (Anatoliy Klimenov), deputy chief of the general staff of the Russian Armed Forces; Marshal Sokolov, former Soviet defense minister, and Marshal Kulikov, former Soviet first deputy defense minister, both advisers to the Russian Defense Ministry; Vladimir Tolstikov, chairman of the Central Council of the Russian Society for Friendship and Cultural Cooperation With the DPRK; (Pavel Maltsev), first vice chairman of the Russian War Veterans Committee of Moscow; other functionaries of the relevant ministries and central organizations, including the Defense Ministry and Foreign Ministry; Yi Kwang-il, chairman of the Korean War Veterans Committee of Moscow; war veterans; functionaries of the publication and reporting sector; and military attaches of the embassies of many countries in Russia.

The DPRK ambassador to Russia and embassy personnel were present at the reception.

The participants at the reception extended warm congratulations for the 62d anniversary of the heroic KPA founding, and toasted to the long life and good health of the great leader Comrade Kim Il-song and to the long life and good health of the KPA Supreme Commander dear leader Comrade Kim Chong-il.

A news conference was held at the DPRK Embassy in Russia on the same day. In addition, a news conference was held at the DPRK Embassy in Cuba on 21 April.

PLA Unit Holds Meeting 21 Apr

SK2604084894 Pyongyang Korean Central Television Network in Korean 1129 GMT 23 Apr 94

[Text] A commemorative event took place at the 196th Division of Tianjin Garrison in the Beijing Military Region on 21 April on the occasion of the 62d anniversary of the founding of the Korean People's Army [KPA]. Participants there were Major General (Ravi), deputy director of Foreign Affairs Bureau of the Chinese Ministry of National Defense; Major General (Yang Haechun), political member of the Tianjin Garrison in Beijing Military Region of the Chinese People's Liberation Army; the commander of the 196th Division; and other commanding officers and soldiers, including the director of the Political Bureau of the division. Our country's interim charge d'affaires to China, military attaches to the embassy, and embassy employees were invited there as well.

Speeches were delivered at the event. In his speech, the division commander said that he warmly congratulated the Korean people on the 62d anniversary of the founding of the KPA, and stressed that all the officers and men of our division, along with the people throughout the country, mostly treasure the great friendship between the people of China and Korea and between the Army units of the two countries, and that as they did in the past, they would support the Korean people's just cause for independent and peaceful reunification in the future, too.

After the meeting, participants in the meeting watched our country's film.

Military Attaches Tour School

SK2304060694 Pyongyang KCNA in English 0506 GMT 23 Apr 94

[Text] Pyongyang, April 23 (KCNA)—The military attaches corps here Friday visited the Kang Kon Military School on the occasion of the 62nd anniversary of the founding of the Korean People's Army.

Military attaches of foreign embassies went round the educational facilities of the school, being briefed on the proud course traversed by it under the wise guidance of

the great leader President Kim Il-song and Comrade Kim Chong-il, supreme commander of the Korean People's Army.

Receptions Held 23 Apr

SK2404072594 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 23 Apr 94

[Text] The Ministry of People's Armed Forces arranged a banquet on the evening of 23 April on the 62d anniversary of the founding of the heroic Korean People's Army [KPA]. Invited to the banquet were the military attaches from the embassies of many countries in our country.

Present at the banquet were generals and officers, including KPA Vice Marshal Kim Kwang-chin, Colonel General Pak Chae-kyong, and Lieutenant General An Pi-tok. Speeches were made at the banquet.

The participants in the banquet toasted to the long life and good health of the great leader Comrade Kim Il-song, to the long life and good health of the dear leader and KPA Supreme Commander Comrade Kim Chong-il, and to the long life and good health of the heads of state of the friendly countries represented by the military attaches.

In addition, the KPA delegation of the Military Armistice Commission gave a reception on the evening of 23 April.

Senior Officials Lay Wreaths

SK2504105194 Pyongyang KCNA in English 0959 GMT 25 Apr 94

[Text] Pyongyang, April 25 (KCNA)—Senior party and government officials, People's Army [KPA] servicemen and working people laid baskets of flowers at the monument to the victorious fatherland liberation war today on the 62d anniversary of the foundation of the heroic Korean People's Army.

Pak Song-chol and Kim Yong-nam were among those senior party and government officials.

Laid there were floral baskets from the Central Committee of the Workers' Party of Korea, the Central People's Committee and the Administration Council of the DPRK.

Floral baskets were also laid in the name of the Ministry of People's Armed Forces, the Ministry of Public Security, ministries of the Administration Council, working people's organizations, KPA units, and Pyongyang municipal party and power organs and administrative and economic bodies.

The military attaches corps in Pyongyang laid a floral basket at the monument today.

Party, Government Officials Visit Units

*SK2604053094 Pyongyang KCNA in English 0513
GMT 26 Apr 94*

[Text] Pyongyang, April 26 (KCNA)—Senior party and government officials paid calls at units of the Korean People's Army [KPA] and the Korean People's Security Forces [KPSF] on the 62nd anniversary of the founding of the heroic Korean People's Army.

Visiting the units of three services of the KPA and the KPSF were senior party and government officials including Premier Kang Song-san and secretaries of the C.C. [Central Committee], the Workers' Party of Korea Kye Ung-tae, Chon Pyong-ho and Han Song-yong, who are members of the Political Bureau of the party Central Committee, chief officials of the commissions and ministries of the Administration Council and central organs and chief officials of the local party and government bodies and administrative and economic organs.

The senior party and government officials conveyed to the units gifts sent by the dear leader Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and Supreme Commander of the Korean People's Army.

Touched by the boundless love and care shown by Supreme Commander Comrade Kim Chong-il, the soldiers renewed their loyal pledge to become guns and bombs defending the party and the leader politically and ideologically and with their lives, and defend the sky, the land and the sea of the socialist motherland as an impregnable fortress.

Before seeing the combat and political training of the soldiers and their life, the visitors heard about the history of the units that had covered a road of victory and glory under the tested guidance of Comrade Kim Chong-il, supreme commander of the Korean People's Army, holding the great leader President Kim Il-song in high esteem.

People's delegations attended colourful functions held at the units of the three services of the KPA and units of the KPSF on the Army Day, deepening the feelings between the Army and the people.

With the delegations present, meetings were held at the units to convey gifts from Comrade Kim Chong-il.

On the Army Day, more than 20 art groups comprising Pyongyang and local artistes gave performances at the units of the three services of the KPA to warmly congratulate them.

On April 25, an evening of men and officers of the Ministry of the People's Armed Forces was held at the Jongsung Square in Pyongyang.

Art Studio Showcases Paintings

*SK2604103694 Pyongyang KCNA in English 1013
GMT 26 Apr 94*

[Text] Pyongyang, April 26 (KCNA)—The Mansudae Art Studio has created a number of works of art of various themes to greet the Korean People's Army Day (April 25).

Included in the works are Korean and oil paintings portraying on canvases of high ideological and artistic standard Comrade Kim Chong-il, supreme commander of the Korean People's Army, who is possessed of the chuche-based military idea, extraordinary intelligence, matchless grit and warm love.

"Supreme Commander General Kim Chong-il Guiding an Operational Meeting", "Opening the Route of the Era", "Merciless Punishment on Provokers" and other Korean paintings portray Comrade Kim Chong-il who is rearing the KPA into an invincible, matchless army with the chuche-based military idea and unique tactics at the head of the revolutionary armed forces.

"Respected Supreme Commander Marshal Kim Chong-il Guiding Combined Tactical Drill", a Korean painting portraying him guiding a coordinated operational drill of mechanized units of the three services on a mountain side with binoculars in his hand also successfully represents the looks of the great brilliant commander.

The Korean paintings "Father of Soldiers" and "The Dear Leader Calling at a Post", the oil painting "Supreme Commander General Kim Chong-il Among Soldiers" and many other works show the noble virtues of Comrade Kim Chong-il who always visits soldiers and bestows tender loving care on them.

KPA Soldiers Help With Construction

*SK2504111194 Pyongyang KCNA in English 1008
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—The Korean People's Army [KPA] soldiers are performing feats of labor at socialist construction sites.

The People's Army soldiers mobilized in building the Pyongyang-Hyongsan express highway have almost completed the laying of the roadbed in the section of one hundred and scores of kilometres. They are pushing ahead with the construction of many difficult and complicated structures including bridges and tunnels at an accelerated pace.

The soldiers in charge of the construction of a Ungna suspension bridge across the Taedong River flowing through Pyongyang are stepping up the project of the bridge extending hundreds of metres at the final stage.

The People's Army soldiers have undertaken many other major objects of the country. Among the monumental edifices built by them in all parts of the country are the February 8 Vinalon complex, the February 8 cement

complex, the February 8 Chiktong youth coal mine, the Taechon power stations, the West Sea Barrage, and the Pyongyang-Wonsan express highway.

The Grand Metro, the February 8 House of Culture, the ice rink and other monumental architectures in the capital were also built by People's Army soldiers.

In recent years they completed with credit scores of large construction projects such as the Pyongyang-Kaesong express highway and 800-kilometre-long waterways on the west coast.

It was at the time of the construction of the February 8 vinalon complex that the People's Army soldiers created the "Vinalon" speed by building 50 odd structures with a plottage of 500,000 square metres in a short period.

When they took charge of the construction of the west sea barrage in which four billion dollars were invested, they performed feats by completing it in a matter of five years, which would have taken dozen of years by the established method of construction.

Many heroes and order recipients emerged from among the people's Army soldiers in the whole period of socialist construction.

Kim Chong-il Thanks Work Units for 'Unity'

*SK2504111294 Pyongyang KCNA in English 1010
GMT 25 Apr 94*

[Text] Pyongyang, April 25 (KCNA)—The dear leader Comrade Kim Chong-il extended thanks to different units, officials and working people including Sadong District, Pyongyang Municipality, Committee of the Workers' Party of Korea, the Potonggang District direct sales shop in Pyongyang, the Pyongyang printing combine, a department director Kim Yong-son and instructor Kim Hye-kyong of the Combined General Bureau of Marine Transport who had set examples in highly displaying the traditional beautiful traits of Army-people unity.

They had contributed to the consolidation of the relations between the Army and the people by actively aiding the soldiers of the People's Army.

Kim Chong-il Praised for 'Rare Military Wisdom'

*SK2304215094 Pyongyang KCNA in English 1511
GMT 23 Apr 94*

["Outstanding Military Strategist"—KCNA headline]

[Text] Pyongyang, April 23 (KCNA)—Dear Comrade Kim Chong-il is a great military strategist and iron-willed brilliant commander possessed of rare military wisdom, matchless grit and distinguished commanding art.

He has published many works including "Let Us Strengthen the People's Army into Matchless Ranks" to give a comprehensive answers to all the theoretical and

practical questions arising in building revolutionary Armed Forces, and has strengthened and developed the Korean People's Army [KPA] into invincible Armed Forces with energetic guidance.

It is the greatest feat performed by Comrade Kim Chong-il in the great work of Army building that he has trained the KPA into loyal and filial Armed Forces defending the party and the leader, the country and people with their lives.

He has attached particular importance to the single-hearted unity of the whole Army based on the idea of the leader in increasing its combat capabilities. He put forward a new policy of modelling the whole Army on the chuche idea to this end.

And he trained the whole Army into ranks with steel-like discipline that act as one on the orders and instructions of the party, ranks singleheartedly united in ideology and purpose and in morality and sense of obligation, with his tireless energetic guidance. The integral whole of complete unity in ideology and purpose, the community of destiny, that shares the destiny and bitters and sweets in the struggle for the country and people—this is the looks of the KPA that has grown up under the loving care of the great brilliant commander.

Comrade Kim Chong-il has wisely led the work of building a powerful self-reliant national defence industry to strengthen and develop the KPA into an invincible Army.

He, with a deep insight into the features of modern warfare, indicated the direction and ways of building the self-reliant national defence industry and solved all problems with never-ceasing trips of on-the-spot guidance.

Thus, the KPA has been strengthened into invincible ranks equipped with modern offensive and defensive means.

Another great feat performed by Comrade Kim Chong-il in the great work of Army building is that he has made sure that the beautiful traits of Army-civilian unity is fully displayed throughout the country so that the Army and the people may help each other, and that the arming of the entire people and the fortification of the whole country have been completed.

In Korea, under his outstanding guidance and politics of love, the Army and people are united by blood ties like one family and the whole country has turned into an impregnable fortress which no formidable enemy can provoke.

The iron will, grit and distinguished commanding art of Comrade Kim Chong-il instill deep conviction of victory in the revolution and fighting spirit into the Korean people.

In early March last year a touch-and-go crisis was created on the Korean peninsula owing to the adventurous

aggressive war rackets of the U.S. imperialists and the South Korean puppet clique. Progressive mankind of the world was deeply concerned over it. At that time, Comrade Kim Chong-il proclaimed a semi-war state to the whole country, entire people and whole Army and saw to it that a decisive statement on the withdrawal of the DPRK from NPT [Nuclear Nonproliferation Treaty] was issued in the wake of it.

And he turned the whole party, the entire people and the whole Army into a powerful combat force and the Korean people rose up like a mountain in hearty response to the call of the illustrious leader. The enemies trembled with fear.

This was how peace on the Korean peninsula and the rest of Asia was defended.

"We will win because General Kim Chong-il, an iron-willed brilliant commander, is leading us"—this is the unshakable will and faith of the Korean people and the People's Army officers and soldiers.

Daily Marks Publication of Article on Youth

SK2204110494 Pyongyang KCNA in English 1047 GMT 22 Apr 94

[Text] Pyongyang, April 22 (KCNA)—NODONG SINMUN today dedicates an article to the 30th anniversary of the publication of "On Improving the Work of the Youth League To Meet the Requirements of the Developing Situation", a famous work of the dear leader Comrade Kim Chong-il.

Comrade Kim Chong-il in his work published on April 22, 1964 elaborated on the need to do substantial work with the young people, firmly build up the rank of officials of the League of Socialist Working Youth and enhance their role in view of the practical demand in renaming the Democratic Youth League the League of Socialist Working Youth [LSWY].

In a by-lined article headlined "Highly Important Work Which Brought a Revolutionary Turn in the Work of the Youth League" the paper says the work serves as a highly important guideline in the development of our youth movement as it clearly indicates the tasks of the LSWY, the political reserve unit of the Workers' Party of Korea, and ways of their fulfilment.

For the validity and truth of the idea and theory expounded in it, the work has displayed its great vitality to the full, successfully applied to the work of the LSWY in the past 30 years, the article says, and goes on:

The significance and vitality of the work lie first of all in that it has helped improve the work with the young people so that they could grow stoutly to be true revolutionaries of chuche type and successors to the revolution who, firmly armed with the revolutionary idea of the party and the leader, devote everything to the party and the revolution, the country and the people.

All the young people in our country today are growing to be lifeguards and death-defying corps defending the dear leader Comrade Kim Chong-il with death on the forefront.

We cannot find in any other place such revolutionary young people as ours who are unfailingly loyal to the leader, sound in ideology and pure in morality. Our party and people deem it a great pride to have such laudable and trustworthy young people of new generation as the reserves of the revolution.

The significance and vitality of the work also lie in that it has helped firmly build up the ranks of officials of the LSWY and enhance their role constantly and thus make the LSWY organisations to be virile organisations.

The dear leader's work is an immortal banner which makes it possible to improve and strengthen the LSWY work and stoutly rear all the young people as reliable successors to the revolution, stresses the article.

National Symposium on Medical Science Held

SK2304111694 Pyongyang KCNA in English 1040 GMT 23 Apr 94

[Text] Pyongyang, April 23 (KCNA)—A national symposium on medical science was held in Pyongyang on April 19 to carry through the tasks laid down by the dear leader Comrade Kim Chong-il in his famous work "On the Further Improvement of the Health Service".

Read at the symposium were papers profoundly proving the validity and vitality of the famous work of the dear leader and showing excellent achievements of science and technology made in the course of implementing the tasks laid down in the work.

More than 330 excellent papers showing achievements recently made in medical scientific researches were read at the first national festival of medical science and technique which took place till April 22 following the symposium.

South Korea

DPRK Envoy to Russia on IAEA Observation

SK2704003194 Seoul KBS-1 Radio Network in Korean 0003 GMT 27 Apr 94

[Text] DPRK Ambassador to Russia Son Song-pil said yesterday that the International Atomic Energy Agency [IAEA] delegation that will visit North Korea to observe the replacement of fuel rods will be provided with everything needed for its normal [chongsangjogin] activities within the scope of agreements.

In an interview with ITAR-TASS on 26 April, Ambassador Son Song-pil said the above, stressing that North Korea's decision to allow the IAEA to observe the

replacing of fuel rods at the reactor in Yongbyon shows the North Korean will to display the peaceful nature of its research in this field.

DPRK Official on IAEA 'Preconditions'

SK2704065594 Seoul SEOUL SINMUN in Korean 27 Apr 94 p 1

[Report by correspondent Pak Chong-hyon from Paris]

[Text] As an International Atomic Energy Agency [IAEA] inspection team's visit to Pyongyang has been delayed, the North Korean Embassy in Vienna reported on 26 April: "If an IAEA inspection team does not arrive in Pyongyang by 28 April, the deadline for witnessing the replacement of fuel rods, we will have no choice but to remove the seals and replace the fuel rods." In this way, North Korea strongly hinted that it would proceed with the replacement at all costs.

Yun Ho-chin, a counselor at the North Korean Embassy in Vienna, said over the telephone: "We proposed that the inspection team observe the fuel rod replacement, and the IAEA presented eight preconditions." He also said: "These conditions were presented to ask us to abide by the Nuclear Safeguards Accord. Therefore, we cannot accept them."

Russia Said Not Checking DPRK Sub Dismantling

SK2804052794 Seoul YONHAP in English 0455 GMT 28 Apr 94

[Text] Moscow, April 28 (YONHAP)—Russia has yet to send military experts to witness the dismantling of a decommissioned submarine it sold to North Korea as stipulated in the contract, diplomatic sources here said Thursday.

Due to Russia's failure to implement the terms of the contract, western countries are worried that Pyongyang might use the submarine for military purposes, the sources said.

According to the contract, Russia must send military experts for on-the-spot observation to confirm that the submarine is used only as scrap iron and not for military reasons.

The sources said North Korea began dismantling the submarine it purchased from Russia some months ago, but without on-the-spot observation by Russian experts, the North Koreans could use the submarine for military purposes.

For example, Pyongyang could use the parts in its own submarines or try to improve its military technology by examining the Russian sub, according to the sources.

Concerned about this possibility, Japan recently asked Russia to dispatch military experts to North Korea to

observe the submarine's dismantling, ITAR-TASS reported from Tokyo Thursday.

Russia contracted with North Korea, through the mediation of a Japanese trading company, to sell 12 decommissioned submarines and has delivered one so far.

The Russian Navy Command earlier clarified that the dismantling of the submarine will be observed by Russian military experts and that it must be used only as scrap iron.

Chochongnyon Official Said Recalled to Pyongyang

SK2704083794 Seoul YONHAP in English 0823 GMT 27 Apr 94

[Text] Tokyo, April 27 (YONHAP)—The sudden homecoming Tuesday of Han Tok-su, chairman of the pro-Pyongyang organization Chochongnyon [General Association of Korean Residents in Japan], has triggered speculation that Han was forced to return to North Korea permanently because he rejected orders to sell Chochongnyon's assets and send the proceeds to the Kim Il-song regime, North Korea watchers say.

The 87-year-old Han, who has controlled Chochongnyon for the past 39 years, was reluctant to go to Pyongyang because he thought he might not be able to return to Japan after meeting North Korean leader Kim Il-song and his son and heir-apparent, Chong-il, Chochongnyon insiders say.

The homecoming was related to North Korea's intentions to change the leadership of Chochongnyon, making it easier to collect money from the pro-Pyongyang organization in Japan, the insiders say.

Han reportedly failed to comply with the North's request that Chochongnyon sell its assets in Japan for remittance to Pyongyang, insisting the assets were obtained by the organization itself.

To facilitate the transfer of proceeds from selling the group's assets, Pyongyang tried to dispatch former Chochongnyon Vice Chairman Kim Pyong-sik to Tokyo but was thwarted by Chochongnyon leaders, according to the insiders.

Kim was named vice president of the North Korean Government last December, 22 years after disappearing from public view.

Pyongyang has repeatedly asked Han to return since last year and even sent Han's eldest son, U-chol, as a special envoy to persuade him early this year, the insiders say.

According to the SANKEI SHIMBUN, Japanese security authorities see Han's return to Pyongyang as a prelude to measures facilitating money transfers to Pyongyang from Tokyo if international sanctions are imposed on North Korea for its suspected nuclear weapons program.

China Reportedly Provided Food to DPRK*SK2804045794 Seoul CHOSON ILBO in Korean 28 Apr 94 p 2***[Report by Yi Chong-won]**

[Text] Western sources in Seoul knowledgeable in North Korean-Chinese relations reported on 27 April that China provided North Korea with food, including 10,000 tonnes of rice, as "birthday gifts" on 15 April, President Kim Il-song's birthday.

Reporting that China also "presented" 10 tonnes of meat and five tonnes of edible oil to North Korea, the sources noted: "The delivery of those 'food gifts' by China was very unusual, and it hints of North Korea's food problems." It was learned that China gave North Korea 400 tons of pork as a gift on President Kim's birthday in 1992.

Regarding this, the ROK Government officials knowledgeable in North Korean affairs said: "In 1993, North Korea yielded only 3.8 million tonnes of rice due to the cold weather, and the amount is down 500,000 tonnes from other years and falls absolutely short of its necessary rice amount of 6.3 million tonnes." They added: "China provides North Korea with 1 million tonnes of rice every year in the form of barter trade. It is unprecedented, however, for China to present food to North Korea free of charge."

Government officials analyzed that, although the 10,000-ton rice provided by China is insufficient to solve North Korea's food problems, it was probably of help in somewhat increasing the North Korean people's rice rations or in increasing the ratio of rice in mixing rice and other grains.

This amount of rice can be loaded on 2,000 five-ton trucks and is over 50,000 soms—North Korea sent 50,000 soms of rice to the ROK when we suffered flood damage in the middle of 1983.

DPRK Defector Discusses Chemical Weapons*OW2804092494 Tokyo KYODO in English 0900 GMT 28 Apr 94*

[Text] Seoul, April 28 KYODO—North Korea is capable of delivering chemical weapons with SCUD missiles and has already targeted missiles at Okinawa and Guam, a defector from North Korea's armed forces said Thursday.

Sgt. Yi Chong-kok, who defected to South Korea on March 18, told a news conference that North Korea has the technology to mount chemical weapons onto SCUD missiles though it is not capable of mounting nuclear weapons.

"Missile bases located in Myongchon and Hwadae of North Hamkyong province have Okinawa and Guam within its shooting range," said Yi, who served in the

nuclear and Chemical Defense Bureau in the Korean People's Army General Staff.

Yi also said missiles at a base in Jagang Province, which borders China, are aimed at China.

North Korean Leader Kim Chong-il, Kim Il-song's son and heir-apparent, does not appear to hold the reins in the military although he is supreme commander of the armed forces, he said.

"Kim Pyong-il, Kim Chong-il's stepbrother and ambassador to Finland, is more popular among North Korean people because he is handsome and is believed to have good personality," Yi said.

North Korean Vice Premier Kim Pok-sin, after inspecting frontline military units in March 1992, told President Kim Il-song soldiers had little rice and clothing and wore shoes made of bark, according to Yi.

Upon receiving the report, the president sacked an official involved in supplying food, and ordered the Administration Council to provide rice and 400,000 pairs of military shoes, Yi said.

"North Korea's food shortage is even worse in the countryside and I heard old men and children have died of starvation in Yanggang Province and South Hamkyong Province," he said.

Yi also said he heard that North Koreans in Yomjoo and Tongrim in the North Pyongan Province rioted to protest food shortages last August and September.

"Even if North Koreans want to see their country adopt Chinese-style open-door policies, they realize their country is becoming more and more isolated, and communism can no longer survive with the collapse of the Soviet Union," Yi said.

"North Korean Leader Kim Il-song seems worried about the possible fall of his regime," he added.

North Letters Arrive Urging National Rally*SK2704074594 Seoul YONHAP in English 0735 GMT 27 Apr 94*

[Text] Seoul, April 27 (YONHAP)—North Korean letters addressed to the South Korean Government and parliamentary leaders urging a grand national rally have arrived in Seoul via a third country, the National Unification Board said Wednesday.

A set of 38 letters, forwarded to high-profile figures like House Speaker Yi Man-sop, opposition leader Yi Ki-taek and outgoing Prime Minister Yi Hoe-chang, insisted that the two sides hold a unified rally on Aug. 15 in Seoul or in Pyongyang.

The rally should discuss "great leader" Kim Il-song's 10-point declaration for national reunification and unity proposed a year ago, the letters said.

North Korea had tried to deliver the letters directly to the South on April 11, but the Seoul government refused to accept them.

The board said it will not send the letters to each addressee and instead put them on public view.

Gallucci Remarks on Resuming Talks With DPRK

*SK2704023594 Seoul YONHAP in English 0207 GMT
27 Apr 94*

[Text] Washington, April 26 (YONHAP)—Robert Gallucci, assistant secretary of state for political and military affairs, says the United States hopes to resume working-level contacts with North Korea in New York this week.

"We hope that this week we'll be able to get back to North Korea—almost certainly using the New York channel ... that we conduct talks at either the office-director or deputy assistant-secretary level," he said Tuesday.

Gallucci, who was recently named chairman of the senior policy steering group on Korea, made the remarks at the department's regular weekly press briefing upon returning from a trip to South Korea, China and Japan.

"We have consulted our allies, particularly South Korea, that we'll be able to go back to North Korea with a proposal," he said.

Gallucci declined to go into further detail about what the United States and its allies would propose.

But he said the new offer looked very much like the Feb. 25 proposal in that it would contain similar elements.

One of these elements, of course, requires that North Korea maintain the continuity of safeguards, Gallucci said.

Washington is prepared to hold a third round of high-level talks with Pyongyang, he added.

Reiterating that the United States prefers a diplomatic solution to the nuclear dispute, Gallucci noted that the "Team Spirit" military exercise was suspended as "envisioned" in the Feb. 25 agreement between the United States and North Korea.

"Inter-Korean dialogue could also be an element," he said. "Advancing inter-Korean dialogue in some modality would also figure in such an arrangement."

Gallucci said the United States and its allies were not aiming to bring the North Korean nuclear issue back to the UN Security Council.

"Our objective is to stay away from the security council, get on with negotiations, and settle this through a diplomatic route and not have to go back to the security council," he said.

But if the director-general of the International Atomic Energy Agency (IAEA) makes a report judged by the security council to necessitate its further involvement, it will act accordingly, he said.

"(and) if they (security council) take up the issue, there is no doubt that there will be discussion about when and if sanctions ought to be considered, and what kinds of sanctions ought to be considered," he said.

He said the mere presence of IAEA inspectors at the Yongbyon nuclear complex when North Korea changes nuclear fuel rods at the 5-megawatt reactor is insufficient.

Gallucci declined to make any further comments, however. "I'm not going to go very far down that road because that's a road that really the IAEA has control of, as it ought to," he said. "It will not be sufficient for the IAEA inspectors to be in North Korea while this is happening."

"They (IAEA inspectors) are going to have more demanding sets of activities to be conducted if they are going to provide the assurances with respect to the history and disposition of that fuel that we expect of the agency," he said.

In any event, Gallucci said the United States would like to see North Korea's nuclear program essentially frozen while "we are engaged in these discussions."

"We would ask them to reconsider that step of refueling the reactor," he said.

He added, however, this was not a precondition for U.S.-North Korean talks. "We just generally think that is not a step in the right direction," he said.

Asked about the impression he had received from Chinese leaders in Beijing on the North Korean problem, Gallucci said, "they do not believe that the best route to a settlement of this issue is through UN Security Council sanctions."

"We also agree that this is not the best route," he said. "But it is for us the alternative if we can't find a diplomatic solution and negotiate a settlement."

U.S. 'Expected' To Pressure Financial Market

*SK2804024794 Seoul THE KOREA HERALD in
English 28 Apr 94 p 9*

[Text] The United States is expected to put greater pressure on Korea to open its financial market wider and provide national treatment to U.S. financial institutions operating in Korea when the U.S. Congress passes a bill on financial services and fair trade.

U.S. delegates to recent bilateral talks on financial policy told their Korean counterparts that the U.S. Congress is expected to approve the Riegle bill "relatively soon," the Korean Ministry of Finance said yesterday.

The bill would allow the U.S. government to retaliate against nations that it regards as discriminating against U.S. financial institutions operating in that country when they fail to reach an accord on remedial measures after negotiations.

As signatories to the Uruguay Round accord on international trade, Korea and the United States are set to start negotiations on financial services six months after the accord takes effect next year.

The Korean Ministry of Finance said it suspects the United States would use the legislation as a tool to open up the Korean and other financial markets at post-Uruguay Round talks on financial services.

At the financial policy talks held in Washington Tuesday, the ministry said, the U.S. delegates demanded U.S. financial institutions operating in Korea be allowed to raise more funds in the Korean currency.

The Korean delegates told their U.S. counterparts that measures to be taken by the Korean government soon will make it easier for foreign financial institutions to raise funds in won.

Korea is set to reduce the minimum face value of negotiable certificates of deposit (CDs), ensure their maturities are flexible in a few months and advance financial liberalization programs contained in the third-phase plan for interest-rate deregulation.

The Korean delegates, headed by Assistant Finance Minister Im Chang-yul, said Korea will keep its promise to raise the 10 percent ceiling on equity ownership of stock by foreigners during the second half of this year or next year.

Led By Assistant Treasury Secretary Jeffrey Shafer, the U.S. team asked the Korean government not to discriminate against U.S. business concerns when it allows Korean companies to set up auto sales financing companies.

The Korean delegates complained that redundant and frequent inspections by U.S. regulatory agencies hamper the business of Korean banks operating in the United States.

They also demanded Korean banks be permitted to advance into an area in Chicago where Korean-American residents are concentrated. The opening of branches by Korean banks in Chicago is now restricted to one area—the Loop Zone, the Korean Ministry of Finance said.

Seoul, Moscow Promoting Cooperation in Weaponry

SK2704125394 Seoul YONHAP in English 1204 GMT 27 Apr 94

[Text] Seoul, April 27 (YONHAP)—South Korea and Russia have in principle agreed to mutually cooperate in

the area of weapons system and military technology, a government official said on Wednesday.

He said Foreign and Defense Ministries are having close talks with their respective Russian counterparts based on the agreement.

"As part of cooperation in the military area, the two countries are currently studying the possible joint production of Russia's ultra-modern weapons," the official said.

He elaborated that in joint production, Russia will furnish expertise and South Korea necessary capital and marketing.

The official added, however, that such cooperation would hardly be endorsed by a formal agreement.

He reasoned that Russia's defense industry is different from Korea's in technological style and therefore their weapons and knowhow in some areas cannot be transferred to South Korea as they are.

"It also is almost impossible at this stage for Korea to introduce Russia's military expertise in return for the debts Russia owes to South Korea in economic cooperation credits," he said.

Japanese Envoy: Nation Not To Become Nuclear *SK2804064194 Seoul YONHAP in English 0621 GMT 28 Apr 94*

[Text] Seoul, April 28 (YONHAP)—Japan's envoy asserted Thursday that his country would not go nuclear even if North Korea possessed atomic weapons.

"This (North Korean) nuclear issue has become a top priority issue and a symbolic issue for Japanese-Korean cooperation in the international society," Japanese Ambassador to Seoul Toshio Goto said at a luncheon hosted by the Korean Council on Foreign Relations.

"I would like to assure you, new Prime Minister Hata stands firm on this issue," he said.

Asked about the possibility of expanding bilateral military cooperation through such means as conducting joint drills, the ambassador said it could happen but first required careful consideration.

South Korea's defense minister visited Japan recently and agreed on exchange calls by naval vessels, an important symbolic gesture for two countries whose history is stained by more than three decades of colonial rule that culminated with the end of World War II.

"...It's a matter requiring delicate consideration from the standpoint of the sentiments of the Korean people," said Goto, referring to the colonial years.

He voiced hope that a time will come when people on both sides can cooperate "without prejudice."

Certain media reports were raising "unfounded suspicions" that Japan might change its non-nuclear policies should North Korea develop nuclear weapons, the envoy pointed out.

"There is no such possibility that Japan would decide to go nuclear... I would like to stress here that nuclearization would run counter to Japan's national interest," said Goto.

The ambassador highlighted regional stability and three key tasks involved—encouraging coordination to settle regional conflicts, cooperating in promoting region-wide political and security dialogue, and enhancing the Asia-Pacific Economic Cooperation (APEC) forum as the region's economic engine.

On bilateral terms, he agreed with South Korean President Kim Yong-sam's view that an accurate recognition of history is the only way to point their ties in a future- and world-oriented direction.

"I fully share the view that the Japan-Korea relationship is moving beyond the bilateral framework and has reached the phase of promoting cooperation in the Asia-Pacific region and, moreover, in the international community," he said.

Papers on ROK-Japanese Defense Ministers Talks

SK2804062494

[Editorial Report] The following is a compilation of articles and editorials published in Seoul vernacular newspapers on 28 April on ROK Defense Minister Yi Pyong-tae's visit to Japan and on talks between the ROK and Japanese defense ministers now under way in Japan.

The moderate TONG-A ILBO publishes on page 3 a 1,000-word article by senior Tokyo-based correspondent Pae In-chun from the "Reporter's Eye" column entitled "Defense Minister Yi's Consciousness of 'ROK-Japan Military Exchanges.'"

The article reports that after holding talks with his Japanese counterpart Kazuo Aichi, Defense Minister Yi Pyong-tae said that the ROK will push ahead with military exchanges with Japan in a "quiet yet substantive" manner in view of "special relations" between the ROK and Japan in the past and of the "unnecessary irritation" of North Korea. Commenting on the possibility of Japan becoming a big military power, Defense Minister Yi said that Japan seems to be keenly aware of "concerns" by neighboring countries and the ROK's position is to "carefully watch" Japan's moves. Asked if Japan would regard a "reunified Korea" as the enemy, Minister Yi notes that the concept of the enemy would "change" according to the change in the situation. Observing that the ROK and Japanese defense authorities are striving to begin military exchanges between the ROK and Japan on the premise of North Korea's

"threat," the article points out that Japan is emphasizing the North Korean "threat" more than the ROK.

TONG-A ILBO also publishes on page 5 a 1,300-word article by Ha Chun-u under the headline: "Significance and Prospect of ROK-Japan Defense Ministers' Talks." Noting that ROK Defense Minister Yi Pyong-tae's visit to Japan, the first of its kind in history, will be an occasion for activating ROK-Japan military exchanges, the article reports official talks between defense ministers of the two countries themselves mean the "official declaration" of military exchanges. The article notes that the ROK and Japan maintained a "military balance and stability" in Northeast Asia based on their respective military alliance with the United States, and held positions to deter military threats by the communist bloc. Nevertheless, the article notes, ROK-Japan military exchanges have been greatly restricted owing to the past colonial rule. Prompted by the collapse of the communist bloc, the two nations came to have a common understanding that their military exchanges should no longer be put aside. The article points out that during his visit to Japan, Defense Minister Yi discussed ways to seek "common interests" in military and security domains, and that the two sides reached an agreement even on "operational" matters, including rotating training of naval academy cadets, mutual visits of military ships, and prevention of accidental crashes of military aircraft. The article, however, predicts that although military exchanges between the two countries will be gradually expanded with Minister Yi's visit to Japan, such exchanges will likely remain "relaxed cooperative relations" for a considerable period of time, because formulation of military relations by concluding a military treaty or a peace treaty may touch off "dispute" over confirmation of territories and may not be appropriate in view of the flexible situation in Northeast Asia. Thus, the article concludes, drastic progress in military exchanges, including joint military exercises, will not be "likely" for the time being.

The moderate KYONGHYANG SINMUN publishes on page 3 a 1,200-word editorial under the headline "Conditions of ROK-Japanese Military Ties." Describing the agreement to expand military exchanges and cooperation between the ROK and Japan as "significant," the editorial expresses the hope that the security ties between the two countries will contribute not only to "stability" on the Korean peninsula but also to "global peace." Recalling that our national sentiment hindered expansion of ROK-Japan military exchanges in the past, the editorial stresses that "regional security" has now emerged as a "mutual, common task" and that with independent strength of a nation, security cannot be guaranteed. Pointing to the ROK's effort to "diversify" its military friendly relations with China, Russia, and Germany, the editorial describes ROK-Japanese military exchanges as "desirable." The editorial, however, expresses "concern" over the possibility of Japan becoming a big military power, and stresses that cooperation between the two countries is necessary only on the

premise that Japan will not become a big military power, and that military cooperation should start from the work of broadening "mutual trust and understanding."

Samsung Signs Automaking Contract With Nissan

*SK2804133694 Seoul YONHAP in English 0740 GMT
28 Apr 94*

[Text] Seoul, April 28 (YONHAP)—Regardless of the pros and cons over the country's biggest business group entering the automaking industry, Samsung Heavy Industries is moving fast toward that goal by striking a deal with Japan's Nissan Motor Co.

Samsung, announcing a contract to adopt Nissan automaking technology Thursday, said its cars—intended strictly for export—will be patterned after three new 2-liter models made by Nissan. It plans to notify the Trade, Industry, and Energy Ministry of its agreement with the Japanese automaker as soon as possible.

Immediately after the announcement, Assistant Minister Pak Sam-kyu said his ministry will scrutinize the contract to determine whether it complies with related laws when Samsung submits a technology-import application. Although it looks fine at first glance, the announcement was made by the concerned company and may be different when studied from a legal viewpoint, he told reporters.

Under the contract, Nissan will transfer technology on its latest cars and jointly develop Korean models, as well as provide engineering assistance to localize the cars and know-how on running production lines. The two agreed to set no limits on export lines for Samsung and to give the Korean company full rights to change auto parts and design. The absence of limits on export lines and design changes is unprecedented in Korea's history of technology importation, a Samsung official said.

The key points to their agreement are that Samsung will have its own car brand and independently choose overseas markets, acquire the latest Nissan technologies including its unique VQ engine and QT suspension, and exchange information on sales, marketing and after-sales service.

In return, Samsung is to pay Nissan 1.9 billion yen (14.3 billion won, or 17.7 million U.S. dollars) in royalties plus 1.6 percent to 1.9 percent of the price of every warehouse release in technology fees. Moreover, it will pay 6.76 billion yen (50.7 billion won) in delivery and technology fees for the three new models in order to acquire full authority over their sales in overseas markets.

Samsung had also been looking at Toyota of Japan and Volkswagen of Germany, but chose Nissan after it accepted most of Samsung's proposals. Nissan, with annual production capacity of 2.81 million cars and

turnover of 27.4 trillion won last year, is the world's fifth biggest automaker after General Motors, Ford, Chrysler and Toyota.

Samsung was drawn by Nissan's world-class technology and its willingness to fully transfer advanced technologies. Samsung, which jumped into truck-making just last year, expects to start with 50,000 units in its first production year, the official said. It pledges to more than fulfill the 70-percent guideline set for localization to become a representative Korean exporter.

President's Cabinet Reshuffle Previewed

*SK2804032594 Seoul YONHAP in English 0310 GMT
28 Apr 94*

[Text] Seoul, April 28 (YONHAP)—President Kim Yong-sam will name a new deputy prime minister and head of the National Unification Board (NUB), and possibly a few other cabinet members, if the National Assembly approves the appointment of Yi Yong-tok as prime minister by Thursday.

President Kim could carry out a partial cabinet reshuffle in consultation with Yi Yong-tok, who replaces Yi Hoe-chang, within Thursday. [sentence as received]

Parliamentary approval of the new prime minister has been stalled at the National Assembly over two other controversial issues. But it appeared possible that the Assembly would approve Yi Yong-tok's appointment during its plenary session which opens at 2 p.m. Thursday.

President Kim will then immediately hand credentials to Yi at Chongwadae [presidential office] and begin consultations to select, among others, Yi's successor as deputy prime minister and NUB minister, a Chongwadae official said.

If National Assembly approval comes later, a partial cabinet reshuffle will take place Friday morning, sources said.

President Kim will hold a cabinet meeting Friday.

Replacement for Deputy Prime Minister Discussed

*SK2704031594 Seoul YONHAP in English 0255 GMT
27 Apr 94*

[Text] Seoul, April 27 (YONHAP)—President Kim Yong-sam plans to carry out a limited cabinet reshuffle as soon as the National Assembly approves the appointment of Yi Yong-tok as prime minister Thursday, sources said Wednesday.

There is a strong possibility that Foreign Minister Han Sung-chu may be picked to succeed Yi as deputy prime minister and minister of the National Unification Board (NUB), the sources said.

The ambassador to the United Nations, Yu Chong-ha, is being mentioned to replace Han as foreign minister, they added.

The limited cabinet shake-up will be performed by the president in consultation with the new prime minister.

"The appointment of the NUB minister will be made in the context of maintaining a consistent diplomatic and national security policy," said one source. "Consequently, the elevation of foreign minister Han to the deputy premiership is being studied since he had been in charge of the government's policy on the North Korean nuclear issue.

"As for Han's successor, I understand that (President Kim) plans to pick a career diplomat," he said. "Ambassador Yu follows the same line of thinking as Minister Han on the nuclear problem."

Presidential Control of NSP Said Constitutional

SK2804081294 Seoul YONHAP in English 0748 GMT
28 Apr 94

[Text] Seoul, April 28 (YONHAP)—The Constitutional Court ruled Thursday that the Government Organization Law, which places the Agency for National Security Planning (NSP) under the direct control of the president, is allowed under the Constitution.

A panel of all the Constitutional Court judges, headed by Judge Hwang To-yon, handed down the ruling in an appeal filed by Rep. Pak Chan-chong of the new Political Reform Party and others.

Pak and his colleagues argued that the Government Organization Law violates the Constitution by putting the intelligence agency under the president, not the prime minister.

"The NSP could not be included in administrative ministries and offices' as specified in the 86th provision of the Constitution," the ruling said.

"It is a matter of course, therefore, that the NSP could not come under the control of the prime minister," it added.

Rep. Pak and 56 lawyers including practicing attorney Chang Ki-uk filed the appeal in May 1989 when Song Chong-tae, an aide to Rep. Yi Chol, was arrested by the NSP on charges of violating the Military Secret Protection Law.

They claimed that the NSP, which the government had no constitutional ground to establish, violated the Constitution when it arrested Song.

Roundup of 28 Apr Political Scene Reported

SK2804051494 Seoul YONHAP in English 0320 GMT
28 Apr 94

[Text] Seoul, April 28 (YONHAP)—Rep. Yi Han-tong, floor leader of the ruling Democratic Liberal Party [DLP], was extremely upset Thursday as the main opposition Democratic Party [DP] insisted on calling 51 witnesses for the parliamentary investigation of the Sangmudae scam.

"Do they think they are some kind of commanders of occupying forces?" Yi said in a meeting with reporters Thursday, the last day of the National Assembly's current extraordinary session.

"Right now, the opposition party is making its demands as though the ruling party hasn't got any choice but to surrender," Yi said bitterly.

"How could there be compromises with an opponent like that?" the agitated floor leader asked rhetorically.

Commenting on the hardline taken by the opposition party, Yi theorized that it probably resulted from the power struggle between Chairman Yi Ki-taek and Rep. Kim Won-ki.

—The presidential office at Chongwadae appeared to heave a sigh of relief as the opposition Democratic Party showed signs of retracting its demand that all cabinet ministers step down.

However, Chongwadae officials acted nonchalantly, asking, "isn't it a matter of course?"

One official was more cautious: "We have to keep watching the opposition party's attitude until the end."

The DP had been critical of President Kim Yong-sam when the chief executive forced Yi Hoe-chang to resign as prime minister for challenging the president's authority.

The opposition party has been tabling a kind of no-confidence vote against the cabinet.

But realizing that under the current constitution and the presidential form of government, the National Assembly has no right to file a no-confidence vote against the cabinet, the DP decided to seek the resignation of each and every cabinet member.

Then in a tricky parliamentary maneuver, the DP is demanding that all cabinet members be listed on one ballot slip with voting in one motion, in effect a no-confidence vote.

—The ruling Democratic Liberal Party held a meeting of senior party postholders and renewed its determination to handle the three issues pending before the National Assembly Thursday, the last day of the extraordinary session.

DLP Spokesman Ha Sun-pong called on the opposition Democratic Party to cooperate in resolving the three issues based on the spirit of the constitution and parliamentary democracy.

—Over at the Democratic Party headquarters, the DP also held a meeting of the Supreme Council and reaffirmed that it would demand that the National Assembly call all 51 witnesses including former and current presidents for its investigation of the Sangmudae scam.

The issue of calling the 51 witnesses had been the main stumbling block in the current impasse over the DP's demand to investigate the Sangmudae scam. The legislation and judicial subcommittee agreed Wednesday night to conduct a parliamentary investigation for 20 days from Thursday.

DP Urges Prosecution To Probe Sangmudae Scandal

SK1904083294 Seoul YONHAP in English 0725 GMT 19 Apr 94

[Text] Seoul, April 19 (YONHAP)—The main opposition Democratic Party (DP) demanded Tuesday that the prosecution trace the whereabouts of a slush fund allegedly funnelled into the political arena by a contractor.

The DP pressed its demand by presenting the financial records of Cho Ki-hyon, president of Chungwoo Construction Co., to the National Assembly.

The DP's action came Tuesday afternoon as the Legislation and Judiciary Committee was forming a subcommittee to work out a schedule for parliamentary investigation of the "Sangmudae scandal."

The opposition party's maneuver is expected to become a red-hot political issue pitting the Democratic Liberal Party (DLP) against the DP as the ruling party maintains that tracing the money runs counter to the real-name financial system.

A DP special committee probing the Sangmudae affair, chaired by Rep. Chong Tae-chol, told a press conference that spending records are listed in a suit against Cho, who has been indicted on charges of embezzlement.

Calling it "a list of criminal activities," the committee presented a copy of the document to the National Assembly. It showed Cho had an alleged slush fund amounting to 22.7 billion won, with 18.9 billion won having been spent between November 1991 and December 1992.

In addition, the DP said that Cho used 3.8 billion won for "business expenses" which, it claimed, could very well have been lobbying outlays for his company.

Cho's Chungwoo Construction Co., along with Hyundai Construction Co., received a multi-billion-won order to

relocate military facilities called "Sangmudae" from Kwangju city to its outskirts.

The DP alleges that Cho created a slush fund out of money he received from the defense ministry and diverted a large part of it to the ruling camp during the 1992 presidential campaign.

At Tuesday's press conference, the opposition party charged the prosecution with trying to cover up or minimize the scandal by not tracing the whereabouts of money spent by Cho.

"If the prosecution has any intention to find out where checks issued from the slush fund have gone, there is no need for the National Assembly to undertake a parliamentary investigation," one committee member said.

The DP has been under pressure from the ruling party to produce material evidence to substantiate its charges.

Tuesday's presentation of a copy of Cho's financial transactions, therefore, was seen as the DP's answer to the DLP demand.

If the prosecution refused to trace the checks, the opposition party could claim that the probe into Cho's slush fund had failed because of the uncooperative attitude of the DLP and the government.

President Discusses Inflation With Ministers

SK2704080794 Seoul YONHAP in English 0645 GMT 27 Apr 94

[Text] Seoul, April 27 (YONHAP)—President Kim Yong-sam exhorted his economic ministers on Wednesday to expedite legislation covering private-sector infrastructure investment to help increase the nation's global competitiveness.

Presiding over the monthly economic meeting to review the five-year "new economy" development plan at the Kwachon government building complex, Kim said construction of airports, roads and other public utilities should draw on private as well as public funds, like in Japan and Europe, because of the enormous costs.

He reiterated the need for industrial peace, stressing that labor-management cooperation is a major factor in increasing a country's competitive power on the world market.

Kim then instructed the ministers to act against inflation and the increasing balance-of-payments deficit, relax rules governing economic activity on a continual basis, and complete economic reforms within the year.

"It's good to note the economy is recovering rapidly," he said, "but I'm concerned about the increasing balance-of-payments deficit and I want you to solve this problem not by reducing imports but by increasing exports."

The chief executive also directed the ministers to take special steps to create an environment in which civil

servants can work well, noting that some public servants wrongly think that the harder they work, the greater their losses.

Vice Economic Planning Minister Han I-hon reported that the government would complete a rural development plan by the end of May to help farmers overcome difficulties stemming from the farm market opening under the Uruguay Round accord.

In June, the government will formulate a supplementary budget of 300-400 billion won (about \$500 million U.S. dollars), based on the special rural tax to be levied in the second half of the year, to finance the plan, he added.

Over 1.3 trillion won will be provided to small- and medium-sized firms to boost technological innovation and sharpen their products' competitive edge on the world market.

Because parliament will need time to pass the pending legislation on private investment in infrastructure and to amend related laws, the government will prepare guidelines on such investment so that private firms can get involved in infrastructure projects during the first half of next year, Han reported.

Toward the end of the meeting, President Kim exhorted the economic ministers to unite around Economic Planning Minister Chong Chae-sok, indicating that the coming cabinet reshuffle after parliamentary approval of Yi Yong-tok as the new prime minister would not affect the economic team.

Domestic Business Shows 'Signs of Recovery'

*SK2804133894 Seoul YONHAP in English 0804 GMT
28 Apr 94*

[Text] Seoul, April 28 (YONHAP)—The business climate showed signs of recovery in the first quarter with production, investment, consumption and employment generally increasing, the National Statistical Office said Thursday.

Industrial production rose by 10.2 percent in January-March from the same period last year, spurred by brisk business in the automobile, machinery, video, audio, communications, and beverage and food sectors. This marked the first increase since the last quarter of 1991, according to the office.

Light-industry production inched up 1.2 percent in the first three months over a year earlier after undergoing a continuous fall since the second quarter of 1992, while the heavy and chemical industries posted a 13.7-percent rise in output. The operating rate of the manufacturing industry reached as high as 82.4 percent between January and March.

Wholesale and retail sales increased 7.1 percent in the first quarter over the same quarter last year, with consumer goods sales in the domestic market rising 6.6 percent during the period. Orders for machinery except

ships rose 32.0 percent, and authorized machinery imports soared 51.6 percent during the January-March period over a year ago, showing domestic businesses' brisk investment.

The population over age 15 increased 568,000 from a year ago in the cited period to 32,785,000, while the number of economically active people who are employed or willing to be employed rose 674,000 to 20,042,000. The figure shows that more people are seeking jobs in line with the business recovery, according to the office. The number of employed stood at 19,431,000 in March, up 673,000 from the same month last year. The jobless figure reached 611,000 in the same month, up 1,000 from a year ago, for an unemployment rate of 3.0 percent.

Those employed in the agricultural, forestry and fisheries industry fell 255,000 from March last year to 2,499,000 last month, while workers in the mining and manufacturing industries increased 100,000 to 4,701,000. Of workers in the mining and manufacturing industries, those in the manufacturing sector—which had been falling since September 1991—increased to 4,660,000 in March, up 121,000 from a year ago.

The number rose by 53,000 in January this year over last year, by 71,000 in February and 121,000 in March, showing that manufacturing is enjoying a business upturn this year.

The coincidence indicator showing the current state of the economy was a relatively low 0.4 percent in March, but the leading economic indicators stood at 1.0 percent, predicting a further business boom.

Cho Hui-kap, director general of the Statistical Survey Bureau, said, "considering the various business indicators, I judge that the brisk business is likely to continue."

Business Groups Prepare for Post-Uruguay Era

*SK1904035394 Seoul THE KOREA TIMES in English
19 Apr 94 p 8*

[By staff reporter Chae Hui-muk]

[Text] Domestic business groups, including Hyundai and Samsung, have been busy in preparing measures to cope with the rapidly changing trade environment after the Uruguay Round accord was signed by more than 120 nations in Marrakesh last week.

Few clauses of the accord affecting Korea were changed, except the agricultural sector, during the last week's ministerial conference in the Moroccan city as the accord formulated on Dec. 15 last year has remained untouched.

But wider opening of the domestic car market became a hot issue at bilateral trade ministers talks with the United States and the European Union (EU).

Observers viewed that Korea will be obliged to open the car market wider as the two countries have insisted on it.

Environment and labor issues are expected to be closely linked with trade as the Green Round (GR) and Blue Round (BR) are expected to be the next global issues to the Uruguay Round which has created a world trade "watchdog," the World Trade Organization (WTO).

The observers forecast that the two issues will be an obstacle to expansion of Korea's exports with environment protection and labor rights in Korea are still below the standard of advanced nations.

First of all, domestic auto manufacturers are expected to face a flood of foreign cars in view of strong pressure from the United States and the EU to allow easier access of their manufacturers to the Korean car market.

U.S. automakers insist that Korea lower tariff rates on foreign cars from 10 percent to the 2.5 percent imposed by the U.S. government and that the acquisition tax on deluxe cars valued at 70 million won or more be slashed from 15 percent to 2 percent.

They also called on Korea to advance the abolition of restrictions on the acreage of indoor exhibition of their cars slated for Jan. 1, 1996, and on advertisements in domestic media.

Advanced nations are expected to put more pressure on Korea to open its markets wider through bilateral and multilateral negotiations on the occasion of the inauguration of the WTO as seen in the automobile sector.

In this changing environment, domestic business groups have been forming teams exclusively for trade negotiations on both group and subsidiary firm levels, while allocating more trade negotiation experts.

Samsung Group has installed an environmental research institute in the secretariat office to prepare for possible green ground negotiations and has increased the number of trade negotiation experts in subsidiary firms to cope with frequent anti-dumping suits in advanced nations.

Hyundai Group has diverted some 50 trade experts in Hyundai Corp. to automobile and shipbuilding subsidiaries which are expected to face an uphill battle with foreigners.

Lucky-Goldstar, Daewoo and Pohang Iron and Steel Co. have been training trade experts by region and commodity.

But analysts said that the UR accord will be favorable to domestic manufacturers, except agriculture, the wholesale and retail sector and intellectual properties.

They forecast that exports will increase sharply but imports will not grow as fast as the exports do.

Steel and petrochemical manufacturers will benefit most as tariffs will be reduced to zero in 10 years.

The steel industry, in top notch shape in competitiveness, is expected to increase products due to a gradual tariff rate cut to zero, while benefiting from decreasing tariff on raw materials of iron ore and coking coal, the analysts said.

The petrochemical industry will witness similar benefits as tariff rates of trading partners are high at 20-200 percent compared to 9 percent imposed by Korea. Tariff rates are to be cut gradually to zero over 10 years.

In the electronics sector, Korea's exports are predicted to increase, while foreign products are expected to rapidly make inroads into the domestic market as well. A plus factor is that more than 60 percent of domestic electronics production are exported. In particular, more than 90 percent of semi-conductor production is exported.

In the textile sector, Korea's exports will be little affected for the time being as an import quota exists for 10 years with each item gradually being liberalized in import as demanded by Korea in the Uruguay Round talks.

But the domestic textile industry needs to switch from low-price items to high value-added ones to turn away any challenges of developing nations.

But general machinery is expected to flood the nation as Korean manufacturers heavily depend on foreign products, the analysts said. Scrapping subsidies will only drive domestic makers out of their domestic markets, they said.

Cambodia

Prince Yuveakneat Said To Succeed Sihanouk

BK2704045494 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 27 Apr 94 pp 1, 2

[Excerpts] No one knows when Prince Kromluong [Norodom] Yuveakneat will leave the monkhood.

According to unofficial sources, Prince Kromluong Yuveakneat wished to enter the Buddhist priesthood for just two days, but until now he has not yet left.

Before returning to the United States, a daughter of Prince Kromluong Yuveakneat told REAKSMEI KAMPUCHEA at Unalaom Monastery that her father will not return to the United States but will stay on in Cambodia. She and her mother will leave for the United States on 22 April. [passage omitted]

His majesty the king has been very pleased with the ordination of Prince Kromluong Yuveakneat, who is his elder son.

Whether this ordination will be for the short or long term, the Prince Kromluong will be fulfilling his wish to show his gratitude to his father, His Majesty Norodom Sihanouk Varaman, king of the Kingdom of Cambodia, who is the father of the nation.

Since his first return to the Kingdom of Cambodia, the Prince Kromluong has paid great attention to improving and solving the difficult livelihood of children in orphanages. He has also given love and care to the children living and studying in temples.

Analysts say that his simple manner could make him the successor to the throne. It is not known what role is the Prince Kromluong playing in Cambodia.

Khieu Samphan Views Roundtable Meeting

BK2804053094 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 Apr 94

[Text] Here are excerpts of the telegrams from His Excellency [H.E.] Khieu Samphan, chairman of the Party of Democratic Kampuchea [PDK], to His Majesty King Norodom Sihanouk in connection with his proposal for a roundtable meeting for national reconciliation and peace.

1. On 22 April 1994, His Majesty King Norodom Sihanouk issued a statement proposing that a roundtable meeting for peace and national reconciliation be held under his chairmanship.

2. On the same day, after receiving the king's statement, H.E. Khieu Samphan, chairman of the PDK, immediately sent a telegram to the king. The contents of this telegram is as follows:

I am pleased to receive your 22 April 1994 statement. In keeping with the deepest desire of our entire nation and people, I, on behalf of the PDK, would like to express total support for the proposal, which is the product of your profound insight, to organize a roundtable meeting for peace and national reconciliation under your majesty's august chairmanship.

3. On 23 April, with a spirit to enable this roundtable meeting to be held successfully with good results in line with the king's wish and the deepest aspiration of our entire Cambodian nation and people, H.E. Khieu Samphan sent a telegram dated 23 April 1994 to the king. The content of this telegram is as follows:

The PDK's support for the king's proposal on a roundtable meeting for peace and national reconciliation comes from the persistent stand of Democratic Kampuchea, which zealously wants the Cambodian problem to be resolved quickly to achieve genuine national reconciliation and unification and enable our Cambodia to enjoy peace.

All along, Democratic Kampuchea has always supported the ideas put forth by the king with great insight to enable Cambodia to achieve national reconciliation, unification, and peace.

The PDK has fully and unconditionally supported His Majesty the King's five-point political guideline. At the same time, I have tried to propose meetings of various levels with a spirit to accomplish your majesty's five-point idea. But they have all along opposed our proposals and sought every means to destroy the peaceful solution.

At the same time, I sought to have an audience with Your Majesty with an aim to seek a solution to end quickly the bloody war caused by the foreigners and them.

Recently, Your Majesty and the respected queen kindly permitted me to have an audience with you on 13 April. But Your Majesty knew about the security situation, which cannot be guaranteed even 60 percent, for me and the entire PDK delegation. Thus, with lofty spirit of responsibility in your capacity as the father of the nation, Your Majesty kindly canceled the audience on 13 April and instead grant me an audience in Beijing in June instead.

The PDK has voiced happily and promptly its support for the king's proposal on a roundtable meeting made in your 22 April 1994 statement.

I would like to cite some developments for Your Majesty's information with the aim of arranging favorable conditions for a secured and neutral negotiation. This is in line with the profound and sacred desire of the father of peace and national reconciliation and in line with the aspiration of our entire nation and people.

The PDK office has come under constant monitoring and threats since 18 April 1994. The employees working there could not carry out their normal activities. The

police even prohibited them from going to the market to buy daily food. They were allowed to go sometimes, but with policemen tagging along in the same car or policemen on motorcycles following behind. There are between 10 and 15 policemen and troops standing in front of the office gate to show constantly their force. Telephone lines have all been disconnected. The masses who are relatives of the PDK members have also been prohibited from entering the office.

This causes a problem, which affects the chances for the roundtable meeting for peace and national reconciliation that the entire Cambodian nation and people, including Democratic Kampuchea, want so much. I would like to beg Your Majesty to help arrange for the PDK's office to resume its normal activity.

In addition to this, there is the issue of the National Assembly members, whose true nature is known to all, proposing a draft to outlaw the PDK, to make it the rebel. This is direct and arrogant opposition to the king's proposal for the roundtable meeting. This law, either with a two-thirds or a three-thirds majority, is in opposition to the roundtable meeting and to national reconciliation, national unification, and peace in Cambodia.

The situation has deteriorated since the time the Vietnamese invaded Cambodia. They kept opposing and trampling upon the Paris agreement even after signing it. They resolutely rejected the four-party policy. In reality, that was outright opposition to national reconciliation and unification. They refused to give any role to the four-party Supreme National Council [SNC] as well as to the king, the SNC chairman. Immediately after the elections organized by the UNTAC [UN Transitional Authority in Cambodia], they began their joint offensive to kill the PDK and kindle the flame of war which has continued to rage Cambodia until today.

I and the PDK, like our entire nation and people in the countryside, in Phnom Penh, and abroad, want so much to achieve national reconciliation and unification and to rally all forces under the shade of the throne and the king. All of this is in order to bring peace to Cambodia and enable our Cambodian people to live and make their living in peace and happiness.

In this spirit, despite their trampling upon the Paris agreement and opposition to the PDK, even by jointly attacking, opposing, and trying to kill Democratic Kampuchea, I am willing to let bygones be bygones without any desire for vengeance. I only think about how to achieve national reconciliation, rally all national forces, and reunify the nation in line with His Majesty's national reconciliation policy. This will respond to the profound aspiration of the entire nation and people, who want genuine national reconciliation and reunification in a peaceful, unified, and neutral Cambodia.

For all of the above reasons and through experiences gained in our Cambodia and from the world, I am of the opinion that the roundtable meeting should be held in a neutral place—inside or outside the country—where

security is guaranteed for all parties to the negotiation and talks. Only by so doing can the negotiation and talks proceed normally and the meeting achieve good results.

The above information that I have reported to Your Majesty comes out of our thoughts, with a sense of responsibility for the fate of our nation and people, on what to do in order to enable the roundtable negotiation be held successfully in line with Your Majesty's desire and our people's profound aspiration.

Ranariddh on Roundtable Meeting With KR

BK2804063894 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 28 Apr 94

[Text] At a meeting on 27 April with foreign diplomats accredited to the Kingdom of Cambodia, Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government of Cambodia [RGC], said that the RGC respects and fully supports the initiative of His Majesty King Norodom Sihanouk, king of Cambodia, on the coming roundtable meeting in the royal palace.

The prince krompreah further said that this roundtable is a meeting between the RGC and the Khmer Rouge [KR] and not talks. He clearly specified that the RGC will do all it can for the roundtable meeting to proceed smoothly by ensuring 100 percent security and safety. The prince krompreah said that if the roundtable meeting did not achieve results, a consultation will be held with the cochairmen of the Paris international conference to implement the third part of the Paris agreement.

Concerning the Khmer Rouge's abduction of some foreigners in rural areas, Prince Krompreah Norodom Ranariddh promised to work for the safe return of these foreigners to Phnom Penh.

Reportage on Khmer Rouge Activities Continues

Son Sen Called 'New Power'

BK2604134694 Phnom Penh AKP in English 1010 GMT 26 Apr 94

[Text] Phnom Penh AKP April 26—Son Sen, a member of the Democratic Kampuchea (Khmer Rouge) is now reportedly the new power in the Khmer Rouge, said CAMBODIA TIMES, an English-language local newspaper, in its recent issue.

Contrary to common belief and reports, Son Sen, who was relieved of his duties in May 1992 after losing a high-level dispute over whether the Khmer Rouge should pull out of the UN-organized peace plan, is very much in control within the Khmer Rouge.

According to senior government intelligence sources, Son Sen is in control of the Khmer Rouge rank and file and its political platform.

He is also said to be directing the military effort against the currently victorious Royal Cambodian Armed Forces (RCAF).

The source said that Son Sen is now directing the counter-attacks against the RCAF forces at Pailin from a stronghold at Phum Malai mountains, one of the last remaining Khmer Rouge military bastions.

He is also reportedly responsible for the Khmer Rouge's successful counter-attack at Anlung Veng.

They said that the fact that Khmer Rouge leaders like Pol Pot and Khieu Samphan and commanders like Ta Mok were reportedly no longer in the country but have sought sanctuary in a neighbouring country, has fuelled claims that the Khmer Rouge leadership is now in quiet disarray with the military losses, especially that of Pailin.

Meanwhile, Pailin has reportedly come under heavy shelling in recent days and the Khmer Rouge were said to be operating in groups of not more than eight members who were involved in hit-and-run tactics as well as harassment of RCAF personnel and commanders.

Military sources said that the capture of Phnum Malai from the Khmer Rouge was the best way of ensuring peace, Pailin and Battambang as it will relieve Khmer Rouge pressure from these two areas.

Success at Pailin Updated

BK2804062594 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 Apr 94

[Text] Here is an additional report from the Pailin battlefield on 27 April.

On 27 April, we launched a sweep operation against the two-headed elements along Route 10 beginning from the west. After fighting for the whole day from 0600 at dawn to 0630 in the evening, we smashed and liberated the 4th Division command post at Treng on Route 10. This area has been a strategic position of the communist Vietnamese, communist Vietnamese puppets, and two-headed government since 1979. Treng, the bridgehead of the defense line of Battambang town, has vanished.

Hul Savoan, four-star general and commander of Battambang's 5th Military Region, who fled from Pailin to hide in Treng after being routed, has disappeared from this area.

We also totally swept the enemy positions at Phlov Meas and Phum Tuol. We seized four 37-mm, three 76.2-mm, and six 12.7-mm artillery pieces and a large quantity of small guns.

We are pushing forward.

More on Attack in Battambang

BK2704052294 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Apr 94

[Text] On 20 April, the National Army of Democratic Kampuchea and the people cooperated in attacking the 79th Battalion of the 4th Division in Sdau township on Route 10, killing five and wounding a number of others. We seized 18 AK rifles and a big truck.

Also on 20 April, we attacked and completely liberated a position of the communist Vietnamese puppets in Andaeuk Hep, seizing three AK's five AR 15 rifles, 10 SK rifles, 25 hand grenades, and captured 12 policemen and commune officials.

Official on Battambang Campaign

BK2704055194 Phnom Penh AKP in French 0400 GMT 27 Apr 94

[Text] Phnom Penh 27 Apr (AKP)—Some 40 Khmer Rouge [KR] rebels recently infiltrated Andeuk Hep commune in Ratanakmondol District of Battambang Province. They robbed many houses and took away four rifles belonging to local militiamen.

During the night of the same day the Khmer Rouge left this commune and spread out in Chrap area with the intention of attacking Ratanakmondol District and Snoeng commune. Half of the local population took refuge in neighboring districts (Battambang and Bavel).

According to Battambang District Police Chief, a group of 30 Khmer Rouge on 20 April infiltrated into Battambang District with the intention of launching attacks.

In Ek Phnum District, about 30 Khmer Rouge, under the command of Sok, retreated from Boeng Thmar and Kbal Chor positions in the direction of Pailin area.

KR's Focus Turns to Poipet

OW2804084094 Tokyo KYODO in English 0806 GMT 28 Apr 94

[Text] Bangkok, April 28 KYODO—The Cambodian border town of Poi Pet has been virtually cut off following a government order to close a major highway linking it to Sisophon, according to a report Thursday [28 April] from Aranyaprathet, a Thai border town nearby.

Government forces lost control of the highway Tuesday following heavy Khmer Rouge [KR] guerrilla attacks through the week, the report said.

Col. Surat Vorarak, an officer attached to Aranyaprathet's military unit, confirmed Khmer Rouge activity in the region, saying guerrillas have used "hit and run" tactics against government posts but would not be allowed to control those they have overrun.

Poi Pet is a busy border town through which consumer goods pass between Cambodia and Thailand.

The report said the price of goods in Poi Pet market has risen by several times and the supply of drinking water has reached a critical stage.

About 12,000 villagers and merchants remain in the town, some of them preparing to cross the border into Thailand, the report said.

Launches 'Heavy Attack' on Poipet

BK2604135294 Hong Kong AFP in English 1319 GMT 26 Apr 94

[Text] Phnom Penh, April 26 (AFP)—The Khmer Rouge [KR] on Tuesday launched a heavy attack on the border town of Poipet, in the northwestern Cambodian province of Banteay Meanchay, co-premier Hun Sen said.

"Today the Khmer Rouge attacked Poipet, I don't know what is happening there but our general staff are following the situation," Hun Sen told reporters in Phnom Penh. The ultra-left guerrillas started to shell Poipet, a normally busy market town on the Thai-Cambodian border, early Tuesday and Thai military officials reported heavy fighting throughout the day.

More than a hundred civilians fled to the safety of Sisophon, 48 kilometers (30 miles) to the east, fearing the guerrillas would overrun the town.

Thai military officials told reporters in the Thai town of Aranyaprathet, which is opposite Poipet, that the Khmer Rouge attacked in a pincer movement with the guerrillas's 450 Division moving in from the south while the 519 Division pushed from the north. No figures were available on the number of men involved in the attack or on casualties.

Hun Sen said he was surprised by the size of the guerrilla attack.

"I just wonder how the Khmer Rouge could have such strength to attack Poipet," he said, adding: "I don't say that I accuse Thailand."

Hun Sen last week accused Thailand of assisting the Khmer Rouge in the guerrillas' April 19 recapture of their headquarters at Pailin in northwest Cambodia.

Thailand denied the accusation and said that Phnom Penh's repeated allegations of Thai support for the Khmer Rouge risked jeopardising relations between the two neighbouring states.

Thai military officer also said that Cambodia's National Route 5 which runs from the border to the country's second city of Battambang was closed due to the clashes.

VGNUFC's Version of Attacks in Poipet

BK2804064294 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 apr 94

[Text] Here is a report from Nimit-Poipet battlefield on Route 5.

On the morning of 26 and 27 April, we attacked three positions of the two-headed government near Poipet and the artillery site, and another position at Daeum Pou. We killed 15 government troops and wounded eight others, destroyed 11 assorted guns, set two military trucks on fire, and damaged six others.

The Nimit-Poipet stretch of Route 5 has been cut off completely by our forces. This area remains under our control.

'30' Vietnamese Killed in Lake Area

BK2704022894 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Apr 94

[Text] On 17 April, hundreds of people living along the Tonle Sap Lake assaulted the Vietnamese at (Kbal Taol) and (Kaoh Khsach Pouy), killing 30 of them and destroying three motor boats and four (?fishing) boats.

The report said that during the current fishing season, the Vietnamese have arrogantly prohibited our Cambodian people from fishing in this area. The Vietnamese aggressors have killed many Cambodians who went fishing in this area.

The Cambodian people have time and again complained to the authorities in this region but to no avail, because these authorities who are lackeys of the Vietnamese think only of serving their Vietnamese masters. Therefore, the people say that their only alternative is to settle the Vietnamese acts of aggression and expansion along Tonle Sap Lake by themselves.

Indonesia

Indonesian Version of Summit Meeting With SRV

Suharto Hosts Banquet

BK2604160694 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 26 Apr 94

[Text] President Suharto hosted a state banquet in honor of visiting Vietnamese President Le Duc Anh and his wife at the National Palace in Jakarta tonight. Addressing the banquet, President Suharto reiterated that all countries in Southeast Asia have the common responsibility of maintaining peace and stability in the region.

He said that all countries in the region should always uphold the principle of good neighborliness and mutual respect for each others' sovereignty. He also said that

Vietnam and Indonesia have the common aspiration of turning Southeast Asia into a zone of peace and stability, a region of high economic growth, as well as a prosperous region that will guarantee the welfare of its people.

In view of this, President Suharto lauded Vietnam's cooperation with ASEAN by participating in the organization's programs and being an observer at ASEAN meetings.

The head of state also said that it is important for Indonesia and Vietnam to establish cordial relations and mutually trust each other so that all issues relating to bilateral ties can be resolved fairly.

President Suharto said that Indonesia and Vietnam, being neighboring countries with historical ties, should be able to settle amicably such issues as the continental shelf and the repatriation of Vietnamese illegal immigrants in Indonesia.

The head of state said he is confident that a satisfactory result can be achieved in efforts to settle those problems based on the good etiquette displayed by officials from the two countries.

Present at the banquet, among others, were vice President and Madame Try Sutrisno, senior government officials, and cabinet ministers.

Suharto, Le Duc Anh Hold Talks

BK2704095994 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 27 Apr 94

[Text] President Suharto and Vietnamese President Le Duc Anh held official talks at Jakarta's Merdeka Palace this morning. The outcome of the talks was disclosed by Minister-State Secretary Murdiono as follows:

[Begin Murdiono recording] The two sides, both at the ministerial and head of state levels, share the view that current bilateral ties are very cordial and based on mutual understanding. The Vietnamese president's current visit is viewed as an important momentum for upgrading existing bilateral relations. The two sides believe there is no bilateral problem which cannot be solved.

During their talks, the two leaders briefed one another on the domestic situation of their country, especially regarding economic development. Both leaders are confident that bilateral ties can be further upgraded in the coming years. Both also praised each other's successes in economic development.

Touching on political issues, both sides exchanged views on how to solve the problem of the overlapping continental shelf. Consequently, both sides agreed that this problem should be settled quickly on the basis of the Law of the Sea Convention. It was also agreed that technical officials should speed up their work. Should they fail to reach an agreement on this issue, they must report it to the higher authority immediately.

The two sides also discussed the issue of Vietnamese refugees, or boat people, currently held at Galang island. More than 8,000 Vietnamese refugees still remain at Galang island. Only a few of them can expect to get political asylum and be resettled in a third country, while the majority of them consist of people who must be repatriated to Vietnam. The two sides also agreed to find an early solution to the refugee problem.

When the two leaders discussed multilateral and regional issues, the Vietnamese leader indicated his country's desire to get an observer status at the next meeting of APEC [Asia Pacific Economic Cooperation] in Jakarta. Whether Vietnam's request will be granted depends on the APEC criteria on the status of observer. As we know, for the time being, namely, for three years, APEC will not consider accepting new members. During the talks, President Suharto stressed the importance of APEC views and resolutions, which will benefit not only its members but also all countries, including developing ones.

Vietnam also expressed its desire to join ASEAN and President Suharto once again explained ASEAN's views and objectives, namely, forging cooperation so as to boost the welfare of each member country and strengthen national resiliency. These objectives are not aimed at other countries. ASEAN does not want to become part of other regional groupings in the world.

The Nonaligned Movement [NAM] was another topic of discussion between the two leaders. Both at the ministerial and presidential levels, Vietnam expressed its high appreciation of the role played by Indonesia as NAM chairman. Vietnam also praised Indonesia's success in implementing resolutions adopted at the NAM summit meeting in Jakarta in 1992 and in raising the prestige of the movement. President Suharto also mentioned important moves he had initiated in his capacity as NAM chairman. We all know that the NAM chairman's meeting with the Japanese prime minister at the G-7 summit meeting in Tokyo was indeed an important breakthrough in the efforts to reactivate the North-South dialogues.

As for economic talks, Vietnam invited Indonesia to take part in its infrastructure development, which now involves carrying out economic reforms and adjusting to the situations in other countries. Cooperation in agriculture was also another topic of discussion with Vietnam expressing its desire to buy fertilizers from Indonesia. Cooperation in marketing coffee and rice was also discussed. I must stress here that it is not Indonesia's policy to export rice. What is important is how to maintain our rice self-sufficiency, which we successfully achieved in 1984. Vietnam also sought possible cooperation in producing soybeans, shrimp, and garlic. In addition, Vietnam wanted to learn from and requested technical assistance from Indonesia in promoting its tourism industry. Vietnam seems to be very impressed with our tourism industry, which does not have a negative impact on our culture. In other words, Vietnam wants to learn

how to promote tourism while at the same time continuing to preserve its national culture. [end recording]

Dailies' Comments on Summit

BK2704140494 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 27 Apr 94

[From the press review]

[Text] Commenting on the current visit to Indonesia by Vietnamese President Le Duc Anh, KOMPAS says Indonesia has never doubted where the cordial bilateral relations would lead to, because in the past few years, the trade volume has continued to climb steadily. Indonesia's exports to Vietnam in 1993 stood at U.S. \$165 million while its imports were at U.S. \$32.45 million. However, KOMPAS also notes that if the Vietnamese leader's visit is aimed at holding talks on the refugee and continental shelf issues, we can understand the urgent nature of these issues because the Indonesian Government plans to develop Galang island [refugee detention center], located in the south of Singapore, into an industrial zone in parallel with the Batam island industrial zone.

Meanwhile, PELITA believes that the Vietnamese president's visit to Indonesia reflects the increasingly close bilateral relations. The visit also reflects the imminent entry of Vietnam into the ASEAN regional grouping. Since Vietnam withdrew its troops from Cambodia, resulting in the termination of conflicts in that country, Hanoi's stand has been viewed favorably by ASEAN, whose policy is to create security, peace, and stability in Southeast Asia. Since that time, Vietnam has consistently reiterated its desire to join ASEAN and now it is only a matter of time for that country to do so.

BERITA YUDHA says no ASEAN countries have any political objection to Vietnam's desire to join the regional grouping. At present, Vietnam, even Laos, has been involved in several ASEAN activities. The only problem is Vietnam's economic system, which is different from that of ASEAN countries. Therefore, Vietnam must also make some adjustments.

SRV Foreign Minister on Refugee Repatriation

BK2704131194 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 27 Apr 94

[Text] Speaking at Jakarta's Wisma Negara Guest House this afternoon, Vietnamese Foreign Minister Nguyen Manh Cam reiterated his country's commitment to repatriate Vietnamese refugees still held on Galang Island. Even though he did not give an exact deadline for the repatriation, the Vietnamese minister said his government will do its best to find an early solution to the issue. About 8,000 Vietnamese refugees remain at the Galang island holding center.

Libya Seeks Aid With Ending UN Sanctions

BK2704154094 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 27 Apr 94

[Text] The Libyan Government has called on Indonesia as chairman of the Nonaligned Movement [NAM] to play a more active role in efforts to end the economic sanctions imposed by the UN Security Council on Libya three years ago.

Ibrahim al-Yarabu, secretary general of the International Islamic Missionary Movement, told newsmen in Jakarta today that the NAM had responded to the matter by introducing a resolution that calls for lifting the economic sanctions, but the resolution had yet to be pursued. The NAM influence will be felt further if the resolution is implemented.

The UN Security Council imposed the sanctions on Libya following the bombing of a Pan Am airliner over Lockerbie, Scotland in December 1988 that killed 270 people. Ibrahim al-Yarabu's visit to Indonesia is the second for discussions on the sanctions.

Philippines

U.S. Criticized for 'Disguised' Trade Barriers

BK2804132094 Quezon City MALAYA in English 26 Apr 94 p 9

[Text] The Philippines is voicing its "serious concern" over "disguised non-tariff barriers" being imposed by rich nations like the United States on their poor trading partners.

High-level sources at the Department of Foreign Affairs (DFA) said these disguised barriers include human rights and environmental issues which are being incorporated by the United States and other Western powers into the mainstream of their foreign trade policies.

A DFA official said that developed countries went 'overboard' on using such barriers under the new world trade order after the Uruguay Round was signed last April.

"So now we have issues on environment, human rights, sanitary requirements and wildlife being invoked by the United States, the European Union and other rich countries," the official said.

The DFA, meanwhile, said the Philippines will push for the inclusion of its serious concern over trade issues in the agenda of the U.S.- ASEAN conference in Washington next month.

Describing it as "ridiculous," DFA officials took notice of trade sanctions recently imposed by the United States against Taiwan for its failure to close down the illegal trade in wildlife, specifically the poaching of wild cats or tigers.

Taipei has protested the trade sanctions, asking why the Clinton administration spared the mainland China despite reports from environmental experts that it is even a bigger market for wildlife products than Taiwan.

"This is what I call as a form of disguised non-tariff barriers which we view with serious concern," a DFA source, asking for anonymity, said, "hindi na [no longer] tariff, hindi na quota dahil bawal na 'yan sa [because that's prohibited in] GATT (meaning the new world trade order or WTO)."

It must also be noted that Foreign Secretary Roberto Romulo earlier assailed the United States for linking China's record of human rights violations in its renewal assessment of the most-favored-nation status to that country.

Romulo has also expressed relief over failed attempts by the United States to include "social clauses" into the GATT which involve the protection of the workers' rights and other labor standards. He said that labor and human rights issues be separated from trade accords.

Under the GATT, developed countries will cut industrial tariffs by 38 percent and farm tariffs by 37 percent over the next 10 years. The developing countries have no tariff slashing figures but they agreed to "bind" or not to add extra fees and payments to their tariff rates.

DFA officials said the United States and its allies are looking for ways to cushion negative effects of the GATT to Western market, which will have to compete against the influx of Asian export to the world economy.

Asia is said to benefit the most out of GATT since it has the fastest growing and most trade oriented economies. Asia will generate more than 50 percent of the new trade by developing countries, which will bring in more jobs, higher incomes and in-demand products.

Estrada To Attend South African Inauguration

BK2704091694 Quezon City PTV-4 Television Network in English 0653 GMT 27 Apr 94

[Weekly news conference by President Fidel V. Ramos with domestic and foreign correspondents at Malacanang Palace in Manila—live]

[Excerpt] [passage omitted] [Ramos] As agreed at the Cabinet meeting yesterday, I am sending Vice President Joseph Estrada as my special representative to the inauguration of the new South African state, whose president will be proclaimed or inaugurated in Pretoria on 10 May 1994. This was upon the invitation of the Government of South Africa.

As most of you already know, especially the old timers, the Philippines has had a long and distinguished record in being at the forefront of the anti-apartheid crusade. As one of the founding fathers of the UN special committee

against apartheid, the Philippines prominently and consistently took the lead in the cause for equality for all South Africans.

Among the members of the vice president's delegation are Ambassador Taday, who is our ambassador and envoy extra ordinary and plenipotentiary to South Africa; Mrs. Estrada; the chief of staff of the vice president, Buddy Abentajado; Mrs. Abentajado; and a senior officer from the Department of Foreign Affairs, Mr. Miguel Bautista. [passage omitted]

Sison Says Breakaway Groups In Touch With U.S.

BK2804095294 Quezon City MALAYA in English 24 Apr 94 pp 1, 2

[Text] Exiled communist leader Jose Ma. Sison yesterday accused former colleagues who have turned against him of being in the payroll of the Office of the National Security Adviser, Jose Almonte. They are also "directly in touch with U. S. Ambassador John Negroponte," he said.

Sison did not offer proof of the supposed link between his enemies and Almonte or Negroponte. He merely said: "I have been informed by the NDF [National Democratic Front] about the character of those issuing the statements in the name of the so-called Democratic Bloc of the NDF and the so-called NDF-Europe."

He said the participation of his enemies in the "psywar (operations) of the U. S.-Ramos regime" is shown by the fact that they have not been criticizing the government of the United States but are concentrating on attacking the NDF and the Communist Party of the Philippines [CPP].

In a separate press statement, the National Democratic Front said members of the breakaway faction in the underground movement are merely "a noisy group" who have long been repudiated by their mass organizations. It also said that the New People's Army remains under the control of the Communist Party of the Philippines. For these reasons, the NDF indicated it would be meaningless for the government to negotiate with the splinter faction.

The verbal battle in the underground rebel movement has escalated with both sides accusing each other of plotting to kill leading personalities in their camps.

Yesterday, in a statement marking NDF's 21st anniversary, Secretary General Frank Fernandez expressed the organization's belief in the need for peace but emphasized this would not come about unless meaningful changes take place.

Expressing its determination to advance the armed struggle, the NDF deplored what it called the destructive deeds of a rival group which recently announced its readiness to hold separate peace talks with the government.

Fernandez said members of the so-called Democratic Bloc merely want a "graceful exit" from the armed revolution, and that their moves are being supported by the Ramos Government to push the NDF into negotiations under terms dictated by the government.

Utrecht-based leaders of the NDF have been holding out on the negotiations, demanding that the Ramos Government first withdraw "conditions" for the talks which violate the Hague Declaration signed by both parties two years ago.

A member of the anti-Sison faction yesterday denied his involvement in an alleged plot to kill the founder of the CPP.

Antonio Cabardo, former detainee and vice president of the Sandigan ng Kalayaan at Demokrasya ng Sambayanan [Foundation of Freedom and Democracy of the People], said Sison's accusations show him to be "either sick of paranoia of the highest order or again up to some evil scheme."

He also said statements coming from the Utrecht-based leaders seem to show they are preparing for a "graceful exit" of their own, but in this case, "a graceful exit from the peace process."

He said Sison would use as an excuse the supposed plot to kill him as reason for pulling out from the peace efforts.

Breakaway Group Criticizes Communist Chief

*BK2804081594 Manila PHILIPPINE DAILY
INQUIRER in English 25 Apr 94 pp 1, 9*

[Text] The rift within the communist movement stretched even wider as a flurry of statements marked the 21st anniversary yesterday of the National Democratic Front (NDF).

A spokesperson for two breakaway communist factions in Mindanao said groups who oppose the leadership of exiled communist leader Jose Maria Sison have been branded by forces loyal to him as counter-revolutionaries who should be treated accordingly.

Europe-based critics of Sison also sent a statement declaring they now represent the real NDF, indicating that the rift has extended to the continent.

Sison, believed to be founding chair of the Communist Party here, is in self-exile in Utrecht, The Netherlands.

Ike de los Reyes, speaking for NDF-Central Mindanao and the Moro Revolutionary Army, said members of the breakaway groups now fear liquidation not only by the military but also by former comrades who still acknowledge his [Sison] leadership.

De Los Reyes, who represented NDF-Northwest Mindanao in the 1986 peace talks between communist rebels

and the administration of President Corazon Aquino, said the NDF is virtually doomed because of the divisions wracking it.

"Our friends in the movement who are reaffirmists (loyal to Sison) tell us we are still their friends but no longer comrades," said De los Reyes.

"Others say we should be treated neither as friends nor as enemies but as counter-revolutionaries," he added.

He said breakaway rebels in Mindanao were warned by the Edilberto Djanggo Canoy Command, a supposed pro-Sison hit squad based in Davao City, that "if you cannot help the revolution, you should not help destroy it."

The differences between the opposing camps appeared irreconcilable after Sison announced recently that breakaway leaders, in collaboration with the Philippine military, have sent a hit squad to Utrecht to kill him.

Lt. Gen. Arturo Enrile, Armed Forces chief, has denied Sison's charge.

Ricardo Reyes, former communist leader in the Visayas, called the INQUIRER to clarify that he was not among those named by Sison as behind the alleged slay plot.

But a statement from Sison's base in Utrecht said Reyes, together with Romulo Kintanar, former head of the New People's Army, Benjamin de Vera and Marguerite Manalo, took part in a purge of suspected military agents inside the communist movement, which led to the killing of more than 950 rebels.

From the Visayas, a group of breakaway rebels said in a statement that Sison's charges are "nothing but a pack of lies and a ridiculous figment of (his) mind."

"The problem with Sison is that from his distant retreat in Utrecht, he relies solely on fax reports from his local robots," said the statement signed by Indio Pluma, supposed spokesperson of the Visayas breakaway group.

"(Sison) suffers from a dearth of information...and he now appears to be cracking under the weight of his own paranoia," the statement added.

For their part, Rose Cheung and Byron Bocar, who claim to be from NDF-Europe, said in yet another statement that Sison is "locked in a world where principle is dogma and not a guide to action...where revolutionary practice is not given the premium value it deserves."

The Europe-based group said Sison refused to heed the lessons which the Philippine communist movement can learn from the collapse of the Soviet Union and communist regimes in Eastern Europe.

"Learning from the negative example of the encroachments of Eastern European states on the civil and political liberties of their citizens, many Third World

revolutionary movements now affirm and uphold such liberties and no longer just dismiss these as bourgeois," the group said.

It added that breakaway rebels in Europe welcome the decision of local breakaway leaders to organize a panel to negotiate for possible peace with the administration.

Justice Secretary Franklin Drilon, however, said late last week that the government maintains its policy of negotiating only with the mainstream Left represented by Sison and Luis Jalandoni, who is also based in The Netherlands.

Drilon, who serves as adviser to the government peace panel negotiating with the NDF, said the administration is not encouraging the formation of a separate panel by breakaway rebel factions.

The statement from NDF-Europe said that "by usurping the powers of duly elected leadership bodies of the NDF through an executive coup last year the Utrecht troika of Messrs. [sentence as published] Sison, Jalandoni and (Antonio) Zumel have ceased to be the legitimate representatives of the NDF, and they now speak only for themselves."

Accused Plotter Denies Communist Chief's Charges

BK2804052294 Manila MANILA BULLETIN in English 24 Apr 94 pp 1, 8

[Text] Leaders of the revolutionary movement who had been accused by Communist Party founder Jose Ma. Sison of plotting with the Armed Forces of the Philippines (AFP) to assassinate him denied yesterday the charges, saying Sison "is either sick of paranoia of the highest order or again up to some evil scheme."

"By airing self-serving and serious charges without basis, Sison is in effect giving policy guidance to the group of Gregorio Rosal and similar brutal killers to escalate the internal feud in the leftist movement, while he is ensconced in the safety of his refuge in the Netherlands," said Antonio Cabardo, vice president of Sandigan ng Kalayaan at Demokrasya ng Sambayanan [Foundation of Freedom and Democracy of the People] (Sanlakas), and one of the five leaders Sison had charged of plotting to kill him. Others expressed the same sentiment.

Sanlakas is a multi-sectoral organization in the NCR [National Capital Region] composed of former affiliates of Bayan [Bagong Alyansang Makabayan—New Nationalist Alliance]-NCR.

Cabardo said it is now clear that Sison is pushing for the implementation of an earlier death sentence for four opposition leaders, as he claimed to be the target of a similar slay plot.

Sison had charged in an interview over radio station DZMM and DZRH that the AFP and Romulo Kintanar,

Ricardo Reyes, Arturo Tabara, Felimon Lagman, and Cabardo had sent a hit team to Europe led by a certain "Narding" to kill him.

The recent media pronouncement of Sison about the alleged assassination plot and the present handling by Luis Jalandoni of the peace negotiation with the GRP [Government of the Republic of the Philippines] panel all point out to the tendency of the Sison group to pull out from the peace negotiation, Cabardo said.

Thus, Sison and Jalandoni are laying the ground work for a graceful exit from the peace process, a face-saving move that would enable Sison to use the alibi of risks to personal security of the NDF [National Democratic Front] panel for his planned pullout.

Cabardo warned Sison that his Stalinist design will get him nowhere, as comrades and the masses begin to see through the ruse and realize that the policies and program he is spousing are not for the revolution after all.

He ask the pro-Sison comrades to come to terms with reality and recognize that the ideological struggle cannot be resolved in their favor by eliminating the opposition within the Communist Party of the Philippines (CPP) physically, for many others will later take up the challenge.

Thailand

UN Cambodian Monitoring From Thai Soil Rejected

BK2804022994 Bangkok THE NATION in English 28 Apr 94 p A8

[Excerpt] Thailand has no involvement in the continuing Cambodian conflict, which is between the Phnom Penh government and the Khmer Rouge, and any monitoring along the border should be on Cambodian soil, Foreign Minister Prasong Sunsiri said.

Phnom Penh has an absolute right to request United Nations officers based in the capital to monitor the situation along the Thai-Cambodian border, Prasong said.

"But if the UN officers want to conduct any monitoring on the Thai side, they have to ask the Thai government first. We, Thailand, are not a party to the conflict and therefore we should have nothing to do with the border monitoring," he said.

The minister was referring to a report that Cambodia is requesting the UN to extend the operations of its 30-strong mission based in Phnom Penh to allow them to monitor the border situation.

He stressed that any monitoring from Thai soil would require prior approval from Bangkok.

Bangkok had earlier turned down a request by the UN Transitional Authority in Cambodia (Untac) to set up

checkpoints on the Thai side of the border, saying it would be a violation of the nation's sovereignty.

A senior Foreign Ministry official said yesterday the Phnom Penh request to the United Nations was apparently based on suspicions that Thailand still supports the guerrilla faction.

The official, who asked for anonymity, said the Cambodian conflict would become an international issue if the UN mission was involved in a military confrontation with the guerrillas.

Thailand would probably reject any request for the UN mission to operate on Thai soil, the official said, and as a result would again be accused of helping the Khmer Rouge.

Minister Prasong said the Burapha task force was still investigating the most recent spillover from fighting inside Cambodia which resulted in two Thai villagers being seriously injured at Rongklu market in Sa Kaeo's Aranyaprathet district.

Prasong said he was ready to explain Thailand's position to Cambodian Foreign Minister Prince Norodom Sirivut, who is visiting Indonesia and France, and was confident that any misunderstandings could be settled at government level. [passage omitted citing AFP report on fighting]

ASEAN Decision on Burma Invitation Criticized

*BK2804024494 Bangkok THE NATION in English
28 Apr 94 p A6*

[Editorial: "Asean Delivers a Slap in the Face of Democracy"]

[Text] Asean officials meeting in Phatthaya over the weekend to discuss details of the 27th Asean meeting to be held in Bangkok in July, reached a decision over Thailand's invitation to Burma.

The senior officials agreed that Burma should come as a guest of Thailand and not of the Asean Standing Committee (ASC) as proposed by Thailand. Their rationale was that the country was still administered by a military junta and had yet to show enough "positive gestures" to justify an invitation from the ASC.

But if Burma has yet to show enough "positive gestures" to deserve an invitation from the ASC, why is it being allowed to attend as a guest of Thailand? Why the double standard?

Disappointingly, the Asean governments best positioned to persuade the ruling State Law and Order Restoration Council (Slorc) to return democracy to the people have been far from helpful. Only constructive engagement, these nations say, will slowly persuade the Slorc to soften its harsh rule and join the ranks of civilized nations.

The latest Asean leader to visit Burma was Singapore Prime Minister Goh Chok Tong who was accompanied by 24 businessmen, all eyeing contracts with the despised junta.

If trading with the Slorc through Asean's constructive engagement policy has made the Rangoon military junta less of a monster, then why is it that international human rights organizations still maintain there is a climate of fear and repression in Burma?

If constructive engagement is working, then why does the military regime continue to refuse to hold talks with its democratic opponents?

Last month, the Slorc chief, Lt Gen [Lieutenant General] Khin Nyunt told THE NEW YORK TIMES that he would not meet or grant any political standing to Aung San Suu Kyi, the democracy leader and Nobel Peace laureate who has been under house arrest in Rangoon since 1989. That flat statement dashed the hopes of many who thought the Slorc might be easing its iron grip.

For the first time since her arrest, Suu Kyi had recently been allowed to see a non-family visitor, US Congressman Bill Richardson of the House Intelligence Committee.

It seems that Khin Nyunt, also head of Burmese military intelligence, seems determined to keep her under arrest. "There are 42 million people here," he told THE NEW YORK TIMES' Philip Shenon, "and they are not bothered by Aung San Suu Kyi."

As far as Suu Kyi is concerned, Asean leaders consider her an "internal matter" of Burma and not a major issue related to the return of democracy. This is indeed sad and unfortunate as it clearly shows the regional grouping is adhering to a blinkered Burma policy when world leaders are standing up for the Nobel laureate.

The administration of US President Bill Clinton for instance has reviewed American policy towards Burma and reportedly decided to increase pressure on the Slorc.

Washington is also pressuring other nations to stop sending arms to the brutal military regime.

Under a system of representative democracy only those who are elected by the people have a right to represent them. Only they have the right to write a constitution and make the rules by which the people will be governed.

The charade of a national convention going on in Rangoon to draft a constitution is a shadow play with Slorc moving its handpicked puppets.

Economists within the junta boast they have created an economic miracle in a few years, adding that a certain amount of authoritarian rule is beneficial to development.

And Asean leaders too have been parroting this Slorc phrase.

If this is true, why then are Burmese factories operating at less than 40 per cent capacity? And why has Siorc decided to print new money in larger denominations and appealed to the World Bank to draw on its gold reserves?

The ruling Burmese military junta has no regard for the will of the people, is answerable to no authority and has no responsibility to explain its behaviour.

For Asean to reward the Siorc generals with better trade and diplomatic relations and allow Burma to be present at the regional grouping's July meeting as a guest of Thailand, is indeed a slap in the face of democracy.

Burma Agrees To Release 30 Thai Prisoners

BK2804031194 Bangkok *THE NATION* in English
28 Apr 94 p A8

[Text] Burmese authorities agreed yesterday to free 30 Thais from Rangoon's notorious In Sein prison, following two days of top level border discussions, First Army Region Lt Gen [Lieutenant General] Chettha Thanacharo said yesterday.

The prisoners, whose sentences ranged from 10 to 15 years, are to be released unconditionally and immediately, he told reporters.

There are some 350 Thais in In Sein, most of them fishermen and loggers caught in Burmese territory, according to the Thai Ambassador to Rangoon, Wirasak Futrakun.

Chettha was close-mouthed on progress on other issues during the Thailand-Burma Regional Border Committee meeting, which finished in Bangkok yesterday.

But he said Burmese officials showed a "good attitude towards solving border disputes through official channels and that prisoners of both countries would be treated humanely."

Chettha added that Major General Khet Sein, who is heading the Burmese delegation to Bangkok, also agreed to look into the case of nine Thai fishing trawlers which went missing recently in the Andaman Sea and showed up later in Rangoon.

Thai-Burmese Border Committee Convenes Meeting

BK2804014094 Bangkok *Radio Thailand Network* in Thai 1200 GMT 27 Apr 94

[Text] Speaking to reporters on the outcome of the just concluded ninth meeting of the Thai-Burmese Regional Border Committee at Bangkok's Siam City Hotel this morning, Lieutenant General Chettha Thanacharo, commander of the First Army Region, said that the delegations of the two countries discussed joint efforts to solve border problems and develop the areas along their common border. During the meeting, officials of the two countries signed agreements on cooperation in many areas such as fishing in the territorial waters of the two

countries, prevention of disputes over unclear border lines, and promotion of good mutual understanding.

The First Army Region commander added that the meeting also discussed the problem of violations of the law by the peoples living along the common border of the two countries. The Thai side reaffirmed the Thai Government's policy of respecting Burma's law and sovereignty and proposed regular meetings of local officials of the two countries to prevent and solve all problems which may arise in the future. Lt Gen Chettha Thanacharo disclosed that at present there are some 350 Thai nationals imprisoned in different parts of Burma. During the meeting, the Thai side requested that all Thai inmates be transferred to Rangoon so that it will be convenient for Thai officials to visit them and so that they be treated in accordance with the principle of humanitarianism. The Burmese side has agreed to comply with the request and notified the Thai side about the release of the first batch of 30 Thai inmates.

Meanwhile, the Information Department of the Foreign Ministry reported that the release of the first batch of 30 Thai prisoners was announced during the closing ceremony of the ninth meeting of the Thai-Burmese Regional Border Committee today by Major General Ket Sein, commander of the Southeast Military Command of Burma and head of the Burmese delegation at the meeting. During his visit to Burma on 1st and 20 April, Foreign Minister Squadron Leader Prasong Sun-siri met with Senior General Than Shwe, chairman of the State Law and Order Restoration Council, and asked the latter to consider releasing or giving parole to Thai nationals imprisoned in that country.

Taking into account the good relations and friendship between Thailand and Burma and the success of the ninth meeting of the Thai-Burmese Regional Border Committee, the Burmese Government has decided to release 30 Thai prisoners, who will be handed over to representatives of the First Army Region by Burmese authorities at Kawthaung township.

Lao, Hmong Refugees' Repatriation Discussed

BK2804045694 Bangkok *THE NATION* in English
28 Apr 94 p A8

[Text] Thailand will accelerate the repatriation of the remaining 25,000 Hmongs and Laotians at the country's last Indochinese refugee camp at Nakhon Phanom so the camp can be closed by the end of this year.

Khachatphai Burutphat, deputy secretary-general of the National Security Council [NSC], told a press conference yesterday that the Thai government had no policy of allowing the settlement of any refugees and that it would try to reduce the number of border camps, with the last one holding Indochinese refugees, at Ban Na Pho in Nakhon Phanom province, to go by the end of this year.

Refugee camps on the Thai-Cambodian border were closed early last year when hundreds of thousands of

Khmer refugees were sent home after the UN-sponsored peace settlement in the war-torn nation.

However, border camps still exist on the western frontier with Burma where several tens of thousands of refugees are taking shelter as a result of four decades of civil war between the Burmese Army and various anti-Rangoon ethnic minorities.

Laos, Thailand and the UNHCR agreed in June 1991 to repatriate all Laotian refugees within three years. But so far only 8,619 have been sent home under the tripartite effort, leaving another 25,000 stranded in Thailand due to difficulties on the part of Laos and the UNHCR, Khachatphai said.

He said he had urged Laos and the United Nations High Commissioner for Refugees (UNHCR) to find new approaches to expedite the repatriation process. Of the 25,000 refugees, 22,000 are highland Hmong.

Many difficulties, such as a lack of repatriation funds on the part of the UNHCR, and the lack of basic infrastructure and suitable relocation sites in Laos, have slowed the process, according to the NSC chief.

Khachatphai has tried to encourage the repatriation process by pointing to the easing of ideological conflicts in Laos. He said Vientiane, apart from its repeated guarantee of returnees' safety against government reprisals, has also stated that it wants the returnees to help develop the landlocked nation.

He said the UNHCR would provide assistance to the returnees as well as help them resettle in their preferred community.

This morning a group of over 400 Hmong refugees, the largest such group to be returned so far this year, will be repatriated overland to Laos via the newly opened Thai-Lao Bridge, he added.

Chuan Claims Bomb Attack 'Act of Subversion'

*BK2704035794 Bangkok BANGKOK POST in English
27 Apr 94 p 6*

[Text] Prime Minister Chuan Likphai yesterday said he was sure last Saturday's bomb explosion at Nakhon Si Thammarat railway station was an act of subversion to destroy the Government but admitted he had no hard evidence pointing to any particular group.

"Personally, I believe this might be the work of a subversive group out to sabotage the Government by terrorising the public, even though we do not have enough evidence to specify which group was responsible," he said.

Mr Chuan said he was waiting for a detailed report from the Police Department and needed a concise investigation result before he would comment on the incident.

The Premier said there were several differing opinions among senior police involved in the case so it was important not to confuse and frighten the public with speculation or rumour.

He said he had given strict orders to officials to be extremely careful in their investigations and preventive measures, especially now when there are rumours of bomb threats in the South as well as in Bangkok.

Meanwhile yesterday the Interior Ministry decided to improve its operation centre to counter subversive activities in the country.

The decision was made at a closeddoor meeting of the National Civil Defence Committee chaired by Interior Minister Chavalit Yongchaiyudh.

The meeting agreed to provide the centre with more manpower and a bigger budget to boost its capacity in intelligence-gathering to prevent acts of sabotage, said centre chief Ari Wong-araya, who is also Permanent Secretary for Interior.

Mr Ari said the meeting yesterday also decided to recruit the support of members of various organisations including village scouts to help serve as the "eyes and ears" of the Government to prevent acts of sabotage.

He said the Government was understaffed and without the help of these volunteers to help report on possible sabotage attempts the effort could fail.

Police Department chief Prathin Santipraphop insisted yesterday the Nakhon Si Thammarat railway station bombing was an act of personal vengeance and not a politically-motivated act.

He emphasised his theory was based on information obtained by investigators handling the case and was not a baseless assumption.

"Other persons who are speaking from their own assumption should not offer comments as this will only add more to public confusion," Pol Gen Pratin said.

Police Department deputy chief Vinit Charoensiri said yesterday, however, investigators probing the attack have three separate theories: a love conflict, a political conflict and terrorism by separatists.

German Minister Urges More Investment in Asia

*AU2604190294 Munich SUEDEDEUTSCHE ZEITUNG
in German 26 Apr 94 p 18*

["Koeh"-signed report: "Rexrodt Calls for More Investment in Asia"]

[Text] Bangkok—Federal Economics Minister Guenther Rexrodt has called on German industry to increase its involvement in the Asian Pacific region, above all in the form of direct investment. At the start of the Fifth German Business Asia-Pacific Conference, the minister

approved "political support" from the Federal Government. Speaking on behalf of over 200 participants, Siemens chief Heinrich von Pierer called for a "change of direction" in how German companies think about foreign countries and favored an "innovation partnership" with Asian economies.

Rexrodt considers "company presence in the form of direct investment, cooperation agreements, and the exchange of technology and know-how" essential for Germany to meet the challenge of the Asian Pacific region of rapid economic growth. The Federal Government also wants to provide more support for German industry's foreign interests. Rexrodt rejected public export and investment subsidies, but promised "political support" from Bonn. "Business can expect politicians to seek to achieve equal opportunities, that they will help to remove political restrictions on entry to markets."

In response to complaints from some conference participants that the Federal Government was doing relatively little for German business abroad, Rexrodt said: "We can only succeed in obtaining what we want if companies name specific obstacles." As far as Rexrodt is concerned, equal competitive opportunities particularly apply to finance. The minister announced that Hermes instruments would be reformed to meet new challenges before parliament's summer recess.

Rexrodt rejected state-subsidized "soft loans," which governments use to assist companies in obtaining large contracts for the development of regional infrastructure. "We will not open the floodgates." On the other hand, the minister considers the protection of German foreign investment, including capital guarantees, to belong to the "core of foreign economic policy." "Advertising Germany" through fairs and technology shows is also in the state's interest and should be developed in the same way as foreign trade chambers' information and advisory networks. Medium-sized businesses should be the main beneficiary and be encouraged to view Asia as more than just a market for sales crises, but should nail their colors to the mast there permanently.

Thailand's Deputy Prime Minister Suphachai Phanitchaphak, who welcomed the German managers who had gathered in Bangkok, also pointed to this dilemma in company strategy. He criticized "declining interest" in investment in his country and the one-sided concentration on selling finished products. Siemens President Heinrich von Pierer called for a "change of direction" in this sense. As the chairman of German business's Asia Pacific commission, von Pierer complained that the region accounted for 10 percent of German exports, but only 3 to 4 percent of German investment. Whereas Japan has invested 58 billion German marks [DM] in the southeast Asian ASEAN countries, Germany has only invested DM2 billion in this boom region with a growth rate of between 7 and 10 percent.

Impact of Political Crisis on Economy Assessed

BK2804045594 Bangkok BANGKOK POST in English
28 Apr 94 pp 17, 26

[Text] A prominent economist called yesterday for Prime Minister Chuan Likhai to dissolve Parliament in order to prevent an economic depression that may result from a coup d'etat.

Dr Chalongphop Susangkan, human resources programme director at the independent Thailand Development Research Institute [TDRI], warned that if the current political situation continues unchecked, it could become an excuse for the military to seize power.

Business figures and stock market investors contacted by Business Post yesterday also called for the House of Representatives to be dissolved although they did not necessarily agree that continued problems would encourage a coup.

And Dr Chalongphop's boss, TDRI president Amma Sayamwanla, also an economist, blamed the largely military-appointed Senate for the political problems. He said the Senate should be dissolved as well, although he did not think a coup would be encouraged if Parliament is not dissolved.

"I know that the constitution doesn't allow for the dissolution of the Senate, but many of the country's problems would be solved if the Senate also could be disbanded," he said.

Dr Amma blamed senators' voting against the Government's constitutional amendment proposals for the current political problems.

He argued that since senators and their allies in the Opposition had preferred to adopt the now-defunct 1978 constitution as the basis for their proposals, they had created an "open season" for criticising all aspects of the present constitution, including the composition and continuation in office of the present Senate.

Dr Chalongphop issued his warning at a seminar organised by Board of Trade of Thailand to evaluate the economy in the first quarter and the outlook for this year. He said that the outlook is bright for the economy to grow at least 8 percent as predicted by many institutions.

The only clouds he could see were political: conflict over a possible Cabinet reshuffle, the constitutional dispute and the bombs attacks in the South.

These situations contained the risk that someone might want to be a "knight on a white horse" coming to the rescue by staging a coup, Dr Chalongphop said.

"In order to pre-empt such a situation, I suggest the Prime Minister dissolve Parliament and return authority to people to vote again because already there are many signs that the political situation is the virus that would harm the economy."

He said he believed the private sector and the country's economy were immune to political changes accomplished in a democratic manner. Nondemocratic changes would not be accepted, he said.

Responding to a comment that he is too pessimistic, Dr Chalongphop said Thai history provides warnings to politicians that they must not allow anyone to take advantage of political drift.

Asked whether he thought the political situation would continue until the end of this year, Dr Chalongphop said that in the past significant changes usually occurred unexpectedly. These would affect some industries such as tourism and slow foreign investment, particularly from Japan.

Prayun Thaloengsi, executive director of the Board of Trade of Thailand, took the contrary position, saying the country should give the coalition more time to amend the constitution and then decide their future.

Prida Tiasuwan, managing director of Pranda Jewelry, said jewellery exports would grow by 8-9 percent even at a time of political conflict, but a coup would mean a bleak future for his industry.

Dr Wicha Chiwalai, president of the Condominium Traders Association, said that political uncertainty, the government's failure to privatise telecommunications and public transport, as well as fluctuations on the Stock Exchange of Thailand would jeopardise the growth of the property industry.

Other government and private-sector participants in yesterday's seminar felt the economy would continue to grow satisfactorily, based on the rise in exports, the stimulus provided by infrastructure projects, the expansion of industries to rural areas, and positive external factors such as the recovery of the world economy.

Bank of Thailand representative Suchada Thirakun said economic growth in the first quarter was 8 percent, better than the same period of last year because of a 17 percent rise in exports, particularly industrial and agricultural products.

Ms Suchada said the outlook for the whole year is expected to be better than 1993 but she cautioned that inflation may be as high as 4.5 percent.

Business Economics Department representative Manop Tahongyen said exports in the first two months were about 150 billion baht, up 1213 percent from the same period last year; the March figures will be higher still.

National Economic and Social Development Board [NESDB] representative Akhom Toemphitayaphisit said the NESDB had suggested the government do three things to improve the economy: speed up infrastructure projects; increase private sector confidence in investing in rural areas; and restructure the tariff system.

Local investors contacted at the SET yesterday said a dissolution of Parliament would improve investment sentiment.

Stock analysts believed dissolution is highly possible after Parliament approves the budget.

Phaibun Ratniyom, an analyst from Asia Securities Trading, said Thai politics is at turning point. If dissolution occurred now it would stall economic growth since the budget allocation process has not started.

He ruled out the possibility of coup, saying "people power" now dominated Thai politics.

American investor Doug Grahman said Thai politics were not an important factor in his decisions to invest in Thai stocks. He said dissolution or any changes in the government could be positive for Thai investors.

Vietnam

Essay Recounts Shooting of U.S. Aircraft

BK2604153394 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Apr 94

[Excerpt] Dear friends: The 919th Flight Group of Vietnam's National Civil Aviation Sector will turn 35 years old on 1 May this year. Beginning as an air squadron with 15 pilots, 13 mechanics, and 14 navigators, the 919th Flight Group has grown and made substantial contributions to the cause of national defense and construction. You, friends, are invited to listen to the following essay by Minh Duc, a correspondent of Radio Voice of Vietnam, entitled: 35 Years of Operations and Growth of the 919th Air Group:

On 15 February 1965, the 919th Air Force Regiment shot down a U.S.-owned C-123 aircraft in Yen Bai airspace, annihilating an enemy commando team aboard the aircraft. This was its first aerial victory over the enemy that opened up the air-to-air battlefield for the Vietnamese People's Army.

On the night of 8 March 1966, an AN2 plane from the regiment sank a boat carrying U.S. and Puppet commandos in the sea of Thanh Hoa, thus starting an air-to-sea battlefield for the Vietnamese People's Air Force.

We had the opportunity to meet the old pilots of the former 919th Air Force Regiment now known as the 919th Flight Group. All of them, whether they had already retired or continue to serve as pilots, share the same military habit, that is, speaking less and working hard. Mr. Nguyen Ai Dong, one of the first team leaders of the 919th regiment is a man of such qualities. He was very excited when recounting his memories of how he flew Uncle Ho to go on TDY. [passage omitted on Nguyen Ai Dong recounting story about his flying Ho Chi Minh to go on TDY in Beijing]

President: Country Ready for ASEAN Membership

*BK2704152794 Hanoi VNA in English 1431 GMT
27 Apr 94*

[Text] Hanoi vna april 27—'Vietnam is prepared to become full member of ASEAN to further promote the friendship and multifaceted cooperation with all countries, through contributing to pace, stability and development in the region', President Le Duc Anh told ASEAN Secretary General Ajit Singh during his official visit to Indonesia.

In his courtesy visit paid to the Vietnamese Leader in Jakarta today, Mr. A. Singh expressed his pleasure at Vietnam's new development in national construction. He informed President Anh of ASEAN's willingness to extend full membership to Vietnam.

President Anh thanked ASEAN member countries and Mr. Singh himself for their goodwill towards Vietnam.

Summit Meeting Held With Indonesia in Jakarta

President Le Duc Anh Arrives

*BK2604144794 Hanoi VNA in English 1410 GMT
26 Apr 94*

[Text] Hanoi VNA April 26—President Le Duc Anh, his wife and his entourage arrived in Jakarta this morning, beginning an official friendship visit to Indonesia.

They were warmly welcomed by President Suharto and his wife, Vice President T. Sutrisno and his wife, and other senior officials of Indonesia, at an official welcoming ceremony held at the Independence Palace.

Indonesian President Suharto warmly welcomed their visit as an important event aimed at further promoting the friendship and cooperation between the two countries.

For his part, President Le Duc Anh expressed his belief that his visit to Indonesia would contribute to further strengthening of the relations between Vietnam and Indonesia in the interests of the two peoples and for peace, stability, cooperation and development in Southeast Asia and the world as a whole.

Also today, President Le Duc Anh and his party laid a wreath at the cemetery of national heroes.

This evening, President Suharto and his wife gave a banquet and an art performance in honour of President Le Duc Anh and his party.

Addresses State Banquet

*BK2704141794 Hanoi Voice of Vietnam Network in
Vietnamese 2300 GMT 26 Apr 94*

["Text" of reply speech by President Le Duc Anh at state banquet hosted by Indonesian President Suharto in Jakarta on 26 April—recorded]

[Text] Dear President Suharto, Mrs. Suharto, and ladies and gentlemen of the country of the historic Bandung Conference;

I would like to express my sincere appreciation for the wholehearted reception and warm feelings of friendship extended to us by his excellency president, his wife, and the Indonesian people from the first moment we arrived in your country. I am moved at the president's fine words about the Vietnamese fatherland and people and the relations between our two countries. These words demonstrate the Indonesian people's profound feelings for our people.

Being in the Southeast Asian region, the peoples of Vietnam and Indonesia struggled under harsh conditions for national independence and both won victories in 1945. Over the last 49 years, we have built a fine relationship of friendship, sympathy, and mutual understanding.

Our people always remember the Indonesian people's honest support for the Vietnamese people's legitimate effort for national unification. Today, our two peoples share a common aspiration in building a prosperous country and changing Southeast Asia into a region of peace, stability, and cooperation. That is the firm basis for the continuous consolidation and development of our long-term friendship and cooperation relations, making it a long-lived relationship as our beloved President Ho Chi Minh said 35 years ago when he visited Indonesia.

Dear President Suharto, ladies, and gentlemen;

Visiting the fraternal Indonesian country, we are happy about the great achievements made in the past 25 years by the Indonesian people under the president's leadership and under the national ideology of Pancasila. On this occasion, we sincerely wish the Indonesian people greater achievements in taking Indonesia into the taking-off period in national development and international and regional cooperation.

As the president of the Nonaligned Movement, Indonesia has actively contributed toward a Southeast Asia region of peace and cooperation and for a more stable and prosperous world. On that basis, Indonesia has an increasingly important role in the world and region. Vietnam wholeheartedly supports Indonesia's active role in that direction and stands side by side with our Indonesian friends in the struggle for peace and equal cooperation among nations.

Dear Mr. President, ladies, and gentlemen;

The international and regional situations continue to change in a swift, profound, and complicated manner, thus presenting all nations great opportunities and challenges. In our region, the trend of peace, stability, cooperation, and development has been increasing. We believe that Southeast Asia is enjoying the most favorable conditions since the end of World War II for solidly building cooperation for regional long-term peace and prosperity. We always attach importance to improved relations of friendship and cooperation for mutual benefit among regional countries on unilateral and bilateral bases.

We are content at the fine development of the Vietnam-ASEAN relationship, and with ASEAN's active support, Vietnam is energetically preparing to become a full member. We hold that this conforms with both Vietnamese and ASEAN interests and is beneficial to peace, stability, cooperation, and development in the region. We strongly believe that my official friendship visit to Indonesia will contribute to solving problems of mutual concern and further accelerate our multi-faceted friendship and cooperation relation for the benefit of the peoples in our two countries and for peace, stability, cooperation, and prosperity in Southeast Asia and the world.

In the atmosphere of friendship and fraternity between the peoples of Vietnam and Indonesia, I invite all of you to toast President Suharto and his wife to good health and happiness, the prosperity of the Indonesian people, the consolidation and development of the Vietnamese-Indonesian multi-faceted friendship and cooperation, and Southeast Asia becoming a region of peace, friendship, cooperation, and development. I wish you all good health.

Suharto Speaks at Banquet

*BK2704151394 Hanoi VNA in English 1450 GMT
27 Apr 94*

[Text] Hanoi VNA April 27.—Both Vietnam and Indonesia share the same aspirations of creating Southeast Asia as a zone of peace, freedom and neutrality, a region with a high rate of growth and prosperity as well as a region that ensures the well-being of every citizen, said President Suharto in his speech at the banquet, he gave in Jakarta yesterday in honour of President Le Duc Anh's official visit to Indonesia.

The Indonesian President continued: 'It is precisely the same aspiration to create a peaceful and prosperous region that serve as the bases of the struggle of the member-states of ASEAN. In this context, we are highly appreciative of Vietnam's participation as an observer and of its seriousness to establish cooperation in many areas with ASEAN.

'Due to our experience during more than a quarter of century and to the strong solidarity among ASEAN member-states, we have been able to preserve stability and security in Southeast Asia, even though the pattern

of international relations is undergoing fundamental changes. ASEAN is trying its best to stress on the importance of settling a dispute through peaceful means. We can reduce the potential conflicts in our region by continuing to hold discussion aimed at enhancing mutual trust. Conversely, we have to see to it that these different potentials can be used as beneficial assets for our cooperation'...

President Suharto went on:

'I am sure the Vietnamese Government also sees the many opportunities that can still be developed through a close regional cooperation covering various aspects of the economic development. In this spirit, I am highly encouraged by the economic cooperation in various sectors that have been established so far.

'However, I also believe that there are still many areas that we can work together. There are still opportunities available in the trade relation and cooperation, capital investment, financial services and other areas.

'The basis of our economies are complementary. Our two respective governments attach great importance to the creation of a healthy business climate. Entrepreneurs in both countries are very eager to expand their economic scopes. All of this convinces me that Vietnam and Indonesia can develop cooperation as dependable and mutually beneficial economic partners.

'The future close relationship between our two countries is further strengthened by the close bonds of friendship between both Vietnamese and Indonesian officials. Such close relationship and mutual trust are important in the efforts to impartially settle a number of issues affecting the bilateral relations between Vietnam and Indonesia.

'As neighbouring countries that share the same historical affinities, I sincerely hope that we can conclude the ongoing negotiation in a satisfactory manner, particularly on the issues of the continental shelf boundary and repatriation of non-refugees. I am convinced that based on the good-intentions that have been demonstrated by both parties so far, we can achieve a satisfactory result'.

In reply, President Le Duc Anh said that the Vietnamese people had forever borne in mind the Indonesian people's wholehearted support for their just struggle for national reunification.

The Vietnamese leader continued:

'At present the Vietnamese and Indonesian people have common desires to build Vietnam and Indonesia into prosperous countries, and Southeast Asia a region of peace, stability and cooperation. This is the firm basis to constantly consolidate and develop the time-honoured friendship and cooperation between the two countries, and made it become the everlasting friendship as stated by President Ho Chi Minh 35 years ago when he visited Indonesia'.

After hailing the great achievement recorded by the Indonesian people in the past 25 years under the leadership of President Suharto, President Anh said:

'In its capacity as president of the Non-aligned Movement, Indonesia has made positive contributions to a Southeast Asia of peace and cooperation and to a stabler and more prosperous world. Indonesia thereby, has an increasingly important role to play in the region and the world. Vietnam strongly supports Indonesia's positive activities, and stands side by side the Indonesia for a long lasting peace and prosperity in the region'. [sentence as received]

'We have always treasured and constantly strengthened the relations of friendship and mutually beneficial cooperation with countries in the region on the basis of bilateral and multilateral cooperation. We are satisfied at the fine development of the Vietnam-ASEAN cooperation. As observer in ASEAN, Vietnam is trying its best with support from all ASEAN member countries to early become full member of the organization. We hold that this conforms to the benefits of the two parties and to peace, stability, cooperation and development in the region'.

'I believe that my visit to Indonesia would contribute to further promoting the friendship and all-sided cooperation between the two countries in the interests of the two nations and for the sake of peace, stability, cooperation and prosperity in Southeast Asia and the world as a whole', he concluded.

Top Conference Held

BK2804094794 Hanoi VNA in English 0607 GMT 28 Apr 94

[Text] Hanoi VNA April 28—Indonesian President Suharto and Vietnamese President Le Duc Anh held talks in Jakarta yesterday morning.

President Suharto warmly welcomed President Le Duc Anh's visit to Indonesia as a very important event marking a new step of development in the relations between the two countries.

For his part, President Le Duc Anh highly appreciated the Indonesian Government's policy which attaches great importance to the strengthening of the multifaceted cooperation with Vietnam and affirmed that Vietnam would closely cooperate with Indonesia in the interests of each country, for peace, stability, cooperation and prosperity in the region.

Host and guest discussed orientation and measures aimed at further promoting the traditional friendship and multifaceted cooperation between the two countries. They were unanimous that Vietnam and Indonesia will soon make joint efforts in solving the remaining problems in the spirit of the neighbourly relations and cooperation between the two countries.

President Le Duc Anh and his counterpart Suharto also exchanged view on the regional and international issues of common concern.

The talks took place in an atmosphere of friendship and mutual understanding.

Foreign Ministers Hold Talks

BK2704151994 Hanoi VNA in English 1454 GMT 27 Apr 94

[Text] Hanoi VNA April 27—Foreign Minister Nguyen Manh Cam held talks in Jakarta today with his Indonesian counterpart Ali Alatas.

The two sides informed each other of the situation in their countries, and expressed pleasure at their cooperative relations on economy, trade, culture, education, sciences and technology. They also discussed how to promote and expand these ties in the coming time.

Both sides held that the recent situation in Southeast Asia was favourable for the development of friendship and cooperation between the two countries in the interest of the two peoples, for peace, stability and development in the region and the world over.

The Indonesian side expressed its full support to Vietnam to become full member of ASEAN.

The two sides also discussed steps to solve their outstanding issues on the basis of continuing to develop the fine traditional relations between the two peoples.

The same day, Minister of Commerce Le Van Triet, Minister of Agriculture and Food Industry Nguyen Cong Tan and Director General of Tourism Administration Do Quang Trung met with their Indonesian opposite numbers to exchange views on how to push up the comprehensive cooperation between the two countries.

A memorandum of understanding on tourism cooperation was signed between the two countries in Jakarta today.

Socioeconomic Growth Expected in Quang Ninh

BK2604134294 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Apr 94

[Text] The party committee, people's council, people's committee, and Fatherland Front Committee of Ha Long town held a grand meeting at Hon Gai Stadium in Quang Ninh Province on the morning of 25 April to make public a government decree on establishing Ha Long town under Quang Ninh Province.

Comrade Nguyen Binh Giang, member of the party Central Committee and secretary of the Quang Ninh Province party committee; Comrade Pham The Duyet, secretary of the Hanoi municipal party committee; and representatives of various central-level organs and of many provinces and cities nationwide attended the meeting.

The meeting began with a street parade with the participation of tens of thousands of people, and was followed by a ceremonial reading of the government decree on the establishment of Ha Long town under the administration of Hon Gai city in Quang Ninh Province.

The birth of Ha Long town will further spur the socio-economic growth of Quang Ninh Province as well as of Bac Bo delta and is a significant event for the entire country.

The grand meeting held to make public the government decree on the establishment of Ha Long town concluded with a variety show performed by thousands of youths and teenagers which marked the beginning of the first cultural and sports festival of Ha Long town.

HCMC Secretary Addresses Midterm Conference

BK2604154694 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 1 Apr 94 pp 1,3

[Speech by Vo Tran Chi, secretary of the Ho Chi Minh City [HCMC] party committee, at the midterm party conference of the Ho Chi Minh City party organization]

[Text] Dear veteran comrade revolutionaries, dear comrade guests of the conference, dear comrade delegates: The midterm party conference of the fifth Ho Chi Minh City party organization has successfully ended today after four days of urgent work in an atmosphere of revolutionary enthusiasm and a high sense of duty.

In the light of the resolutions of the Seventh Party Congress, the Mid-Term National Party Conference of the Seventh Central Committee, and the fifth Ho Chi Minh City party organization congress, our conference seriously evaluated the development of the renovation process in the city and straightforwardly pointed out achievements and progress as well as shortcomings and weaknesses. The conference also derived practical leadership and implementation experiences and most importantly, set forth the orientations and revolutionary action program for the city party organization to follow during the remaining part of its term. At this conference, we unanimously elected an additional number of comrades to the city party organization standing committee. The election proceeded according to set regulations and aimed at enhancing the strength of the key agency of the city party organization so that it can meet the urgent requirements of the renovation process in the city.

Our conference had the honor to welcome Comrade Nguyen Van Linh, adviser to the Central Committee, and Comrade Phan Van Khai, member of the Political Bureau. The presence of the two comrades and their views at this conference have given our entire city more wisdom and strength to continue a journey which is rife with difficulties and challenges but is also full of great prospects.

Over the past several months, in preparation for this conference, the city party organization at all levels,

including many veteran comrade revolutionaries affected by old age and poor health, enthusiastically contributed many valuable contributions to the documents to be presented to the conference. Over the past few days, 263 comrades contributed their suggestions at group discussions and 23 other comrades expressed their views in the conference hall. Those views had one thing in common, namely shedding more light on the issues under discussion. Many of these views were very straightforward and accurate. They demonstrated a very high sense of responsibility and a positive attitude. As a result, they clarified many important issues and enhanced the quality of the political report of the conference.

It is very clear that this conference marks a major democratic activity in the party and shows the concentrated efforts of the city party organization to study and creatively apply the Mid-Term National Party Conference Resolution to the real situation in the city, which is a center having a serious responsibility toward the area and the country in many respects.

The final result of this conference still depends on the stringent test of real life situations when the resolutions of the conference truly penetrate society and make their presence felt. Nonetheless, the traditions of solidarity, singlemindedness, strong will, and great determination make us look toward the future with confidence and hope that with the mind and hands of grassroots party organizations, the personal efforts of our compatriots of all walks of life, the close leadership of the Central Committee, and the harmonious coordination and wholehearted assistance of other localities throughout the country, our city will score even greater achievements.

From the rostrum of this conference, on behalf of the Ho Chi Minh City party organization, I would like to express our sincere gratitude to the Central Committee for its leadership. Our thanks also go to the comrade veteran revolutionaries, party organization delegates, and compatriots of all walks of life in the city for their concern and high sense of responsibility. All those factors have given us more strength to make this conference a success, thereby opening new prospects for the city to move along a path full of both challenges and promises.

Dear comrades, we face both opportunities and challenges. Let us be determined to eliminate dangers, overcome challenges, and grasp all opportunities to lead the renovation undertaking forward in a vigorous and steady manner. That is the complete scenario of the entire country and the city for us to see and correctly define our tasks for the days ahead.

The undertaking to build "a wealthy people, a strong country, and an equitable and civilized society" is a long-term strategic objective that must be implemented step by step. Each step must be progress compared with the previous one, or in other words, the economy must

develop every year, the standards of material and cultural life next year must be higher than those of this year, and especially, the political and social conditions must be more stable and steadfast every year. These factors are closely related, therefore they require a high level of uniformity in coordination. Our economic policies are closely related to social, cultural, and other policies, so our party needs a comprehensive, dialectical, objective, and scientific viewpoint while directing the implementation of these policies.

In order to overcome hunger and poverty, to stand firm on our feet, and to reduce the danger of lagging further behind neighboring countries economically, our party should, above all, consolidate our combative determination, our political acumen, and heighten our knowledge and ability to the level required by our duties in the modern age, an age when science and technology advance at lightning speed. To fulfill the leadership role, our party should be equipped not only with experiences and knowledge from working life, but also with experiences and achievements of the world. The slogan "Learn, learn more, learn forever" by Lenin should encourage us to never stop learning.

Our party is the core leader, the center for solidarity, and the vanguard of the class and people. To be able to fulfill these responsibilities, our party must be in a constant process of renovation and rectification, ensure uniformity in politics and ideology, endeavor to enhance morality and revolutionary characteristics, provide for a clean and healthy life, and to combat degradation, deviations, negativity, and illegal activities resolutely. Above all, we must not lose our sense of political vigilance because the hostile forces are hiding around us and are looking for every way to get into our organizations. We must not forget that among all kinds of disorientation, the political one is the most dangerous.

We are opening our doors and expanding our relations and cooperation with other countries to develop our economy. But we must abide by the unchangeable principles of national sovereignty and independence, of our historic traditions, the morality and characteristics of our culture. To let ourselves become alienated from our origin, or dependent on other countries in any area or by any reason, is unacceptable. We should not let short-term and partial benefits lead us to sway ourselves away from the route that Uncle [Ho] has chosen, the route achieved only by countless sacrifices of blood and bone by generations of our people, because that will be a virulent error that can be disastrous to our country.

The administration is the people's servant, and at the same time, the tool for the people's authority. The development of our country in the current situation is fast-changing, diversified, and complicated. The situation requires the state mechanism to be capable and assiduous. We must not allow any sabotage activities to effect the peaceful life of our people. We must be able to control every nook and cranny of our society. We must heighten our abilities and acumen, attach urgency to

training and re-training tasks, and we should exclude from the administrative mechanism those who have inadequate ability and character.

As far as the current national construction cause is concerned, as in the sacred wars of resistance for national salvation in the past, the people constitute an endless source of strength and a decisive factor of victory. To further develop the potential, strength, and wisdom of the masses, party organizations, administrative organs, departments, sectors, agencies, and mass societies affiliated to the Vietnam Fatherland Front must renovate their operating procedures a step further, attach primary importance to efforts to improve the people's living conditions, and regard the motivation campaign for political awareness as a long-term goal. Our party comes from the people and works untiringly to bring about happiness for them. Therefore, party members and cadres must love, believe, remain attached to, and direct the people as well as look after their well-being, regarding these as the proof of their vitality.

Dear comrades, the resolution of this midterm party conference of the city party organization was formulated in the light of the recent Mid-Term National Party Conference and the fifth city party organization congress. It was a combination of the wisdom, will, and aspirations of the entire party organization and compatriots of all walks of life in the city. Furthermore, it was adopted at a time when the city has entered a period full of great challenges and also of bright prospects.

Because this resolution serves as an important action program for the entire city party organization and compatriots of all walks of life in the days ahead, practical measures must be worked out to promptly disseminate and concretize it so that it can be applied to life and make its presence felt. Following this conference, efforts must be made to improve our party leadership and organizational skills a step further. It is necessary for all party members to strongly develop their vanguard role, militancy, determination, will, professionalism, and wisdom. Only by so doing can we meet the growing demands of the revolutionary undertaking in the city.

During his lifetime, Uncle Ho once said: "There must be 10 measures to carry out a single policy." Speaking at the fifth city party organization congress, Comrade Nguyen Van Linh said: "It is necessary to attach great importance to implementation organization." For us, these instructions remain valuable. The reason is that no matter how correct and clear-sighted the party's ideological concepts, lines, and resolutions may be, they are totally meaningless and unable to generate strength if they are not applied to real life situations. Then, in the final analysis, our words are not matched with our deeds and as such, we cannot prove whether our policies and resolutions are correct. Therefore, it is very important for us to pay due attention to practical activities and regard our willingness to engage in practical activities as the peak of our creativeness. Many theoreticians have said that the truth can be discovered through realities

and that only through realities that one can prove and foster the truth. The party-initiated renovation undertaking has been carried out for many years now. Yet, when it first took off, it was based on the actual situations in our city and country.

We are party members and residents of the city named after Uncle Ho. Our city is well-known for its time-honored traditions of glorious and unsubmitive struggle and for its wisdom, dynamism, and work creativeness. It is certain that our entire party organization and compatriots of all walks of life in the city will achieve single-mindedness, take firm steps to overcome difficulties and challenges, and make every effort to score the best results in carrying out the tasks set forth by the Seventh Party Congress and the fifth city party organization congress, thereby making adequate preparations for marking the 20th anniversary of national unification and of the liberation of the city and the south.

Prompted by that firm belief, I would like to declare the midterm party conference of the fifth Ho Chi Minh City party organization closed. May I avail myself of this opportunity to wish our comrade veteran revolutionaries and comrade delegates good health and many victories.

Economic Delegation From PRC Visits Hanoi

BK2804094194 Hanoi VNA in English 0605 GMT 28 Apr 94

[Text] Hanoi VNA April 28—An economic and commercial delegation of Liaoning Province of China led by Mr. Gao Guozhou, deputy governor of the province, paid a working visit to Vietnam at the invitation of the Vietnam Chamber of Commerce and Industry (VCCI).

The delegation includes many Chinese managers and businessmen in the fields of economy, trade, energy, finance and chemicals.

While here, the delegation had working sessions with Mr. Doan Ngoc Bong, VCCI's first vice president. The two sides informed each other of the situations in and possibilities for economic and commercial cooperation

between Vietnam and Liaoning. The guests expressed their wish to cooperate with Vietnam in the fields of investment, trade, infrastructural construction, and especially to participate in improvement of factories formerly built with Chinese assistance.

The delegation also had working sessions with leaders of the Ministries of Trade, Energy, Construction, and Heavy Industry, and called at several economic and commercial establishments to enquire into possibilities and opportunities for investment, joint-ventures and commercial cooperation between the two sides.

Strike Reported at Southern Clothing Firm

BK2604140694 Hong Kong AFP in English 0858 GMT 26 Apr 94

[Text] Hanoi, April 26 (AFP)—Workers at a private clothing firm struck last week in the southern province of Song Be, the area most affected by labor unrest in Vietnam, the trade union newspaper Lao Dong said Tuesday.

Some 150 workers from the Song Be Garment Export Co. stopped work for two hours Thursday in favor of overtime payments and the lowering of production levels required by management.

Company director Le Thi Bich Ngoc, rejected the strikers' demands, saying they could resign if they felt they were unable to meet the production demands.

The strikers plan to stop work again by the end of the week if their demands were not met.

The latest strike followed similar action earlier this month by 2,500 workers at the state-run peanut firm Thanh Le against working conditions and low salaries.

Labor unrest in southern Vietnam has increased in recent months, particularly in companies controlled by foreign firms.

Vietnam plans to adopt a labor code in May in which the right to strike is to be defined for the first time.

Australia

Evans Supports More NATO Air Strikes in Bosnia

BK2104022494 Melbourne Radio Australia in English
0100 GMT 21 Apr 94

[Text] Australia's foreign minister, Gareth Evans, says the threat of more air strikes by NATO to protect United Nations safe areas in Bosnia-Herzegovina provides some ground for optimism. Senator Evans said he supports the decision and hopes the show of force will bring all parties back to the negotiating table. However, he warns that the threat of bombing alone may not be enough to stop the violence in Bosnia.

[Begin Evans recording] Well, it is not clear that there is any other alternative at the moment. I mean the downside risks are that the bombing won't be enough without ground support of the kind that there is still no will to supply. The risk is also that this kind of action in these new exclusionary zones will simply generate additional complications elsewhere. [End recording]

Meanwhile, Senator Evans has welcomed the Zulu Inkatha Party's decision to participate in the South African elections, saying it should reduce the level of violence in the country.

Senator Evans said although sporadic violence can still be expected in South Africa in the lead-up to the election, the across-the-board bloodbath which was feared can hopefully be avoided.

Commentary Views U.S. Foreign Policy

BK2304134894 Sydney THE WEEKEND
AUSTRALIAN in English 2-3 Apr 94 p 14

[Commentary by B.A. Santamaria from the "Focus" section: "US Banks on Power of Bullyboy Tactics"]

[Text] With the collapse of communism as a political ideology whose universalist aspirations were backed by the once formidable military, political and financial power of the former Soviet Union, the familiar parameters of the Cold War disappeared.

In fact, if not in theory, not only in Russia—the core of the former union—but in the newly independent republics into which the union had broken up, the old Soviet apparatchiks were still effectively in power.

The only difference was that, for the purpose of public relations, they had conveniently transformed themselves from communists into "nationalists". Free-market experts from the West solemnly enjoined on them the necessity of privatising State property.

They were preaching to the converted. The apparatchiks "privatised" large chunks of Soviet property—by stealing them! They "bought" them at knock-down

prices, put the ownership into their own names, and often sold them to western interests.

Well aware of what runaway inflation at home would do to the proceeds, they generally insisted on being paid in dollars, which they proceeded to invest in banks that protected their anonymity—mainly in Switzerland and Lichtenstein. Even the Italian Mafia was brought into the picture.

Now, however, the honeymoon is over. In order to reinforce their personal positions the new leaders—still, in general, old-time communists—are playing the nationalist card even more strongly attempting to steal the political clothes of Vladimir Zhirinovsky by reassembling the former Soviet States into a new Russian dominated federation. States like Belarus, Azerbaijan, Armenia, Georgia, Moldavia, and the three Central Asian republics are already "in the bag", with the future of Ukraine still to be determined. Even Poland and Lithuania, while clearly outside the bag, have re-elected old-time communists to office.

It is no longer the ghosts of Lenin and Stalin that hover uneasily on the political horizon. It is the more traditional Russian figures of Ivan the Terrible and Peter the Great.

To believe that the United States—the only remaining genuine superpower—is on top of the problems which, with the effluxion of time, will inevitably result from these developments, would be an illusion. President Clinton himself clearly has little time to devote to anything other than his own—and his wife's—personal problems, as his Republican opponents gradually tighten the noose, seek to revenge themselves for Nixon and Watergate, and to lay the foundations for a future Republican victory.

In appointing Strobe Talbott as Assistant Secretary of State (for Russian affairs) Clinton has handed the control of the US's Russian policy to one who believes that the US's exertions in the Cold War were profoundly mistaken, and that the Soviet Union was more sinned against than sinning.

The military power of the US—which, whether or not it is guided by any consistent political vision, is overwhelming—is concentrated on three regions: north-eastern Asia; Latin America; and the Middle East.

In relation to Latin America, the US has successfully reasserted the Monroe Doctrine. In relation to north-eastern Asia, the developing conflict between North and South Korea is finally directed to the safety of Japan. In the Middle East, the issue is American control of Saudi Arabia's oil supplies. The purpose of the Gulf War was to provide a formula to enable the US to base its military forces and equipment in Saudi Arabia.

What other objectives remain within the framework of US foreign policy today? One is tempted to say "not many". There is, however, more to it than that.

The US will have won few friends with what is little short of outright bullying in the cases of China and Japan. These ancient societies do not respond to public humiliation.

In relation to China, the pretence that the US is seriously concerned about the "human rights" of Chinese citizens deceives no one. China has had at least 500,000 political prisoners for decades. There are reportedly about 20 million ordinary prisoners in labour camps, whose unpaid slave labour supplies one of the main foundations of China's allegedly booming economy. The US has observed these permanent factors of Chinese society with equanimity for many years. Why the sudden outbreak of moral concern?

With the Japanese, it is the familiar indignation with Japan's "inaccessible" markets, dimmed only temporarily by the deal with Motorola and with the foreign rice-growers.

Despite Japanese trade barriers, Germany has succeeded in exporting more cars to Japan than Japan exports to Germany. Japanese trade barriers cannot be as tight as all that. Why then the constant beating of the nationalist drum against Japan?

Last Wednesday [30 March] week, the US Treasury Secretary, Lloyd Bentsen, delivered an under-reported address in New York. He stated that the key objective of US policy over the next two years would be to enforce full access by American banks and other financial institutions into all leading countries. The US would be prepared, he said, to retaliate against countries which refused full access to its financial institutions. The presence of American banks, he said, was necessary to allow the US to share in the prosperity of Asia's markets.

Bentsen visited Beijing at the end of January. A joint statement was signed by him and China's finance minister Liu Zhongli which announced that this year US banks would be permitted to establish themselves in China's main cities to trade in Chinese currency. The South China Morning Post reported in January this was "only on a limited experimental basis". Is the hypothetical agitation about "human rights" anything more than a cover for the real issue, the accelerated entry of American banks to the Chinese mainland? The links between the Clinton Democratic administration and the controlling groups of the US investment banks are extremely close. As chairman of the National Economic Council, Clinton chose Robert E. Rubin, who is also co-chairman of Goldman Sachs Ltd, one of the most powerful of them all, and not noted for representing any interest other than those of its investors. If there is more to the foreign policy of the Clinton administration than the exclusively financial interest, it remains to be explained.

Paper Views AFTA-CER Link, ASEAN Trade

*BK2404162994 Sydney THE WEEKEND
AUSTRALIAN in English 9-10 Apr 94 p 19*

[Commentary by Greg Sheridan from the "Focus" section: "Australian Eyes On Asian Horizons"]

[Text] Prime Minister Keating's plan, outlined this week in Bangkok, to create a formal fusion between Australia and New Zealand and the six tiger economies of the Association of South-East Asian Nations is in many ways one of his boldest foreign ventures yet—one full of immense possibilities as well as risks for Australia. It represents both a departure in Australian trade policy and a seminal commitment specifically to South-East Asian future.

The ASEAN six—Indonesia, Thailand, Malaysia, Singapore, The Philippines, and Brunei—represent, outside China, the most dynamic economies in the world. Keating has proposed joining the ASEAN Free Trade Area [AFTA] to the Closer Economic Relations [CER] agreement that exists between Australia and New Zealand. This could create a vast free trade area worth \$1000 billion [currency not further specified] a year.

The overall size of the South-East Asian economies is still relatively small. As Keating pointed out, their combined gross national product roughly equals that of Australia and New Zealand. But this statistic can be misleading for the fact that a far higher proportion of their GNPs goes to international trade than ours.

Singapore is the world's 18th biggest exporter, while Australia is 21st. Indonesia and Thailand rank 26th and 27th respectively.

Thus the symmetry between Australia-New Zealand and ASEAN is really false. As trading economies, ASEAN combined far outweighs Australia-New Zealand. And, despite Australia's good growth this year (which some estimates put as high as 5 per cent) the ASEAN economies will almost certainly grow much faster than Australia and New Zealand over the next decade. Moreover, we run a substantial trade surplus with all the significant South-East Asian economies. Already, there are a bigger market for us than either the European or North America. They have also shown by far the most rapid growth of any region in the world in buying our elaborately transformed manufactures.

Therefore we stand to gain far more than ASEAN do from a fusion AFTA and the CER. Indeed, it is not clear how practical Keating's proposal is in the short term. Its real value probably lies in its symbolism, the signals it sends both to South-East Asia and more widely about where Australia stands.

The reason Australia would gain far more than the ASEAN members from an AFTA-CER link lie partly in the different stages of development and liberalisation of Australia and the South-East Asian economies. Under AFTA, the ASEAN economies are pledged to reach a

common preferential external tariff on manufactured goods of 5 per cent within 15 years. There are moves to accelerate this timetable, especially, from Thailand, but that is the limit of the existing commitment.

Most Australian tariffs, with the exceptions of motor vehicles and textiles, are already at or near that level now. Certainly, they will be within 15, or even 10 years (10 years being the proposed accelerated timetable for AFTA). Moreover, each AFTA-country is allowed to nominate temporary exemptions from the common tariff and Australia could nominate motor vehicles and textiles as its exceptions. Therefore under the provisions of the actual AFTA agreement, Australia would not have to take any specific actions to qualify for membership.

This begs the question of what benefit would be in an AFTA-CER link for the ASEAN economies. The answer is, in the short term, not much. The most important likely consequence of AFTA coming into existence will be to affect international investment decisions. Because AFTA will provide them with a common South-East Asian market for most manufactured goods, multinational companies investing in South-East Asia will have an incentive to concentrate their investments in one single country, rather than needing to invest in several countries to get behind local tariff walls.

Australia could be a significant loser in this process as even relatively hightech investment could be diverted away from Australia and towards South-East Asia. Moreover, Australia has a poor record over the past decade of actually investing in South-East Asia, as oppose to selling exports there. The creation of AFTA will probably make the link between investment and trade more important than it is now. For Australia to get on the inside of AFTA, therefore, could be immensely valuable.

For ASEAN members, the benefit might include that when they are selling themselves as investment sites they could more clearly point to the bigger combined market including Australia and New Zealand. There might also be significant non-tariff area of co-operation which could attract members to an association with Australia and New Zealand.

However, the moves have to be seen in the context of wider politics of international trade. There is currently a semi-official American proposal for a Pacific Free Trade Area including all of the Asia-Pacific Economic Co-operation economies. This seems to be completely inconsistent with ongoing American trade actions against China and Japan. There is also an older American proposal to extend the North American Free Trade Agreement [NAFTA] across the Pacific, possibly starting with Singapore. This deeply worries many Asian governments as it offers the potential for the United States to pick off Asian countries one by one and get whatever concessions it wants on a bilateral basis.

At the same time, Malaysia is pushing for its East Asian Economic Caucus [EAEC]. America opposes this (rather

hypocritically, given its support of NAFTA) on the basis that it could divide the Pacific, driving America and East Asia apart. Australia has opposed it also, originally because we were excluded. Recently our friends in South-East Asia have offered to deal us in on the EAEC but we have continued to oppose it strongly on behalf of the Americans.

All of these proposals are swirling through the Pacific at the same time as the world is trying to bed down the final details of the agreement to conclude the Uruguay Round of the General Agreement on Tariffs and Trade.

There is thus great uncertainty and much exploratory thinking about what kind of trade arrangements are going to dominate the Pacific. In part everyone is waiting to see which way America jumps, and indeed, if Keating's proposal looks serious, the Americans may well be peeved.

It may be, however, that some wise heads in South-East Asia see the move to join AFTA and CER as a way of making good use of Australia's standing with Washington, to use Australia partly as a protective shield in trade politics. It has been little reported but the US has been harassing some of the best performing South-East Asian economies, namely Thailand, Malaysia and Indonesia, over what Washington alleges are oppressive labour laws. This is regarded in South-East Asia as rank hypocrisy and simply America deciding to penalise South-East Asia for becoming competitive. It may be that with Australia joined fully in an AFTA-CER partnership we can be of some assistance in fending off the more brutish American trade impulses.

However, no one should think securing effective Australian membership of AFTA will be easy. The ASEAN-members do not want to be dominated by a developed, predominantly Caucasian country. Australia's robust political style and use of English tend to make it effective, but also quite impatient, in international forums. ASEAN diplomacy, although involving very intensive processes of dialogue, is much more low key, quiet, consensus-seeking—at times a painfully slow business. ASEAN would not want to find itself suddenly dominated by Australia. It is very questionable whether Australia could adapt adequately to the ASEAN style. txt Singapore has said publicly it has no objections to an AFTA-CER link. And it was the Thais who first proposed it. Thailand's Deputy Prime Minister, Suphachai Phanitchaphak, last November in Melbourne suggested Australia could join both AFTA and the EAEC. Indonesia has not publicly opposed the suggestion but has said its priority is to bed down AFTA first and it doesn't want to move too quickly.

But Malaysia has been resolutely against the idea. Some Australian officials travelling with Keating briefed the travelling press to the effect that Malaysia could be enthusiastic about Australia linking up with AFTA. This must rate as a postwar high on preposterous wishful thinking, spin doctoring and misleading briefing.

Malaysia's Prime Minister, Mahathir Mohamad, was asked last November to respond to Suphachai's suggestion that Australia could join AFTA. He dismissed it out of hand and said: "How can a country outside ASEAN join AFTA... unless of course Australia becomes a member of ASEAN. Geographically, Australia is excluded."

There is no doubt Malaysia can exercise a veto on an AFTA-CER link. This demonstrates once again the foolishness of the row Keating got himself into with Mahathir last year and equally the foolishness of the view which Keating now seems to hold that Australia can effectively ignore Malaysia in its regional diplomacy. This is just not true. Certainly, while Australia continues to actively oppose Malaysia's EAEC, there is no chance of Malaysia allowing us in effect to join AFTA.

This is where the risk in Keating's proposal comes in. If months and months go by and absolutely nothing happens on Keating's initiative, it will be seen to have been mere hot air, just more windy Australian blah. And if this happens too often, the Prime Minister's word will be significantly devalued.

However, the trade minister, Senator Bob McMullan, will, at the end of this month, launch a report by the East Asian Analytical Unit of the Department of Foreign Affairs and Trade on the effects of AFTA on Australia and the possibility of an AFTA-CER link. It will offer a path forward which will begin very modestly with proposals for formal dialogue mechanisms. This is probably achievable and will allow Keating to claim that some progress is being made.

There are two other important dimensions to Keating's proposals. Embracing so keenly such a big preferential trading arrangement marks a step along the road of Australia apparently abandoning its long-held commitment to traditional open regionalism, that is, reducing trade barriers on most favoured nation basis to everyone whether they are inside the group or not. As it is still hard to evaluate what real-world consequences Keating's proposals will have, it is difficult to know whether this is a departure in substance or just rhetoric. The opposition's reaction yesterday was essentially to caution against this chance.

Second, making the whole proposal in Thailand is important. Thailand is Australia's 12th largest export market. Our exports there last year grew by an astonishing 50 per cent to \$1.2 billion. Thailand remains one of the fastest growing economies in the world. It is a nation of nearly 60 million people. It is pivotally placed strategically and a natural entry point to Indochina.

Paradoxically, because we have had so few problems in our relationship with Thailand we have tended to neglect it. It does not have the common British colonial experience of Malaysia and Singapore, nor is it, like them, a member of the Five Power Defence Arrangements, after ANZUS Australia's most important military commitment. Nor does it press on the Australian psyche in the

way the sometimes brooding presence of Indonesia does. We have found it culturally distant. But it is an extremely important player in ASEAN, and APEC [Asia-Pacific Economic Cooperation]. It has also paid in its citizens' blood to establish a credible democratic system of government.

Keating's visit to Thailand was made to overcome partial Australian neglect. This is reflected in the formation of a Thai-Australian Ministerial Council, like those we have with Indonesia and Japan. This is designed in part to spread our interests in ASEAN so that the relationship with Indonesia, admittedly very good, does not have to carry the full weight of our aspirations in South-East Asia.

At least since the publication of Garnaut report in 1989, Australia has understood the importance of North-East Asia—Japan, the three Chinas and Korea. In this trip Keating has made some headway in alerting the nation to the equal importance of South-East Asia, even if some of his more ambitious trade proposals do not come to pass.

Paper on Importance of Keating's Indochina Trip

BK2504070694 Sydney *THE AUSTRALIAN FINANCIAL REVIEW* in English 14 Apr 94 p 20
(Tentative)

[Editorial: "Keating's Mission to Asia"]

[Text] After the black comedy of Mr Keating's mad squabble with the Vietnam veterans, readers will be relieved to hear that there was a serious purpose to the Prime Minister's visit to Thailand, Laos and Vietnam and that, by all accounts, it went quite well.

The excuse for the trip was the opening of the Friendship Bridge over the Mekong River on the border of Thailand and Laos.

The real purpose, however, was to further strengthen Australia's relations with two of the most important nations in the region.

In Australia, the political focus naturally has been on the Vietnamese part of the trip because Vietnam is the flavour of the month, because of the row with the veterans and because this is the first visit by an Australian Prime Minister since the war.

However, that should not be allowed to overshadow the importance of the visit to Thailand. By far the biggest economy on Mr. Keating's itinerary, Thailand is also of growing strategic and diplomatic importance to Australia.

Economically, diplomatically and militarily, Thailand is a major player in ASEAN and a friendly rival of ASEAN's other major players, Indonesia and Malaysia.

For Australia, that makes Thailand a particularly important friend. The Thais' shrewd and predictable diplomacy and their distance from Australia mean that Australian-Thai relations tend to be more stable than our relations with Malaysia and Indonesia. (Curiously, distance does seem to be an important factor; for example, Thailand's human rights lapses seem to attract less attention here than Indonesia's.) At moments of tension between Australia and Malaysia or Indonesia, the Thais have interceded on Australia's behalf.

Thailand is a longstanding friend and an alternative diplomatic and economic "gateway" to the region, always ready to accept Australian investment and trade if other countries are not so inclined. That, undoubtedly, has a calming effect on Australia's relations with its more volatile ASEAN neighbours.

With its well-developed defence forces (including significant naval forces) and its borders with Cambodia and Laos, Thailand is also an important player in the development of Cambodia and Indo-China.

Vietnam's importance is more strategic than economic.

Indeed, for all the country's recent growth and long-term potential, it will be a small, poor economy for many years to come.

Strategically, however, it is of enormous potential importance in the region, mainly because of its large and well-educated population and its border with China.

The Chinese are paranoid about Vietnam, which is why they spent a fortune to support the Khmer Rouge on Vietnam's south-western flank.

The central objective of Western policy towards Vietnam must be the country's successful economic and political integration into the international community.

Vietnam needs massive infusions of capital and technology to rebuild and expand its basic infrastructure (which is insufficient for even its current needs), to develop its rich natural resources and to create employment in labour-intensive manufacturing.

The Vietnamese Communist Party is terrified of the kind of political instability that has plagued Eastern Europe, and with good reason. Vietnam's young population (the median age is 19) means that the labour force is growing at a rate of 1 million a year. The rationalisation of inefficient State-owned industries means that jobs will be scarce for a good while yet.

Australia's policy is both to contribute to Vietnam's development and to share in it.

As aid projects, Mr Keating's proposed high-profile projects—including a \$100 million bridge over the Mekong River and the preservation of Hanoi's historic architecture—sound as questionable as the Hawke Government's Friendship Bridge that Mr. Keating went to Asia to open.

However, Mr Keating obviously expects the political and economic benefits to Australia of the projects (in terms of goodwill and access of Australian companies to the increasingly competitive Vietnamese market) will make up for any shortfall in their economic or social value to the Vietnamese people.

Of course, other countries are also trying to share in the Vietnamese revival. Mr Keating was the sixth leader and the 14th senior politician to visit Vietnam in a month.

For that reason, the importance to the Vietnamese of Mr. Keating's visit and offer of aid should not be overestimated.

Nevertheless, they undoubtedly represent a significant, positive step in the development of Australian-Vietnamese relations.

Importance of Ties With Thailand Stressed

BK2404094094 Sydney THE AUSTRALIAN in English
8 Apr 94 p 12

[Editorial: "Keating's Bridge to Thailand"]

[Text] Thailand, the quiet achiever of trade-driven Asia, is one of Australia's best friends in the Asia Pacific. Virtually without fanfare the Thai people have knuckled down to build an industrious economy. Concurrently they have nurtured a commitment, fragile but growing, to democratic principles and an open society.

Bilateral relations with Australia have also grown steadily, especially in economic and political terms. Globally the two have acted together in common cause, notably as members of the Cairns Group pursuing free and open agricultural trade through the General Agreement on Tariffs and Trade. Today these links will be celebrated in a highly symbolic fashion when the Prime Minister, Mr Keating, formally opens the Australian-funded and constructed "Friendship Bridge" spanning the Mekong River between Thailand and Laos.

The bridge completes a highway network extending for the first time from Beijing to Singapore. It has immense economic significance, and will entrench Thailand's status as a key gateway to Indochina. For Australia, the \$42 million [currency further not specified] bridge symbolises efforts both in strengthening regional links generally and in employing Australia's technological capacity for the benefit of the region.

Australia and Thailand have often taken their relations too much for granted, as officials on both sides of yesterday's talks between Mr Keating and his counterpart Chuan Leekpai, acknowledged last night. The talks aimed to change that, with new perspectives on how to lift bilateral trade and investment.

From an Australian perspective Thailand has been the neglected power of South-East Asia partly because bilateral relations, compared with other parts of the region, have been so problem-free and untroubled. Yet it has the

second largest economy in the Association of South-East Asian Nations. Though less than a quarter the size of Australia's, its gross domestic product has grown on average 7 per cent every year since the 1950s. Last year Australian exports to Thailand increased nearly 50 per cent, to \$1.2 billion. This makes it our 12th largest export market—up from 20th only two years previously.

Economic success has not come without cost. Most Thai industry is centred on Bangkok, which with only 16 percent of the population produces half of GDP. Pollution and exploitation in the labour market are serious problems. However, the gradual rise in prosperity has also created a large and politically activist middle class, which has come a metaphor for Thailand's capacity to make a lasting transition from military-dominated rule to parliamentary democracy.

Mr Keating's visit to Laos, Thailand and Vietnam is a natural and consistent expression in the modern era of what he has termed Australia's "constructive engagement" with the region. These are not countries of first rank importance in terms of Australian foreign policy, but that does not diminish the value of regular high-level personal contact. It is 5 years since the last prime ministerial visit to Thailand. That was made by Mr Bob Hawke, who used the occasion to announce Australia would build the bridge Mr Keating is to open today.

The importance of Thailand, with a population three times more numerous than Australia's, an export economy dominated by manufacturing and a stabilising political system, is growing. It is an influential force in ASEAN and a keen supporter of the Asia Pacific Economic Co-operation forum. As resources-rich Thailand prospers, Australia should be confident about ensuring bilateral relations flourish along with it.

Keating's New Indochina Diplomacy Viewed

BK2604023794 Sydney THE AUSTRALIAN
FINANCIAL REVIEW in English 15 Apr 94 p 29
(Tentative)

[Article by Tom Burton: "Keating: A Head of Steam and Full Steam Ahead"]

[Text] There are many in Canberra who would sympathise with Vietnamese Communist Party leader, Do Muoi. From all accounts, the aging political leader caught Paul Keating in full flight when they met on Tuesday in Ho Chi Minh city.

As many a Canberra minister and bureaucrat knows, Keating fired up, arguing about an issue he has strong views about, is an awesomely persuasive and believable figure.

With Do Muoi, it was Keating's fast-developing ideas about the future of the West Pacific region which made the Prime Minister passionate.

There is a veneer of poverty and deprivation in Vietnam caused by decades of war. But Vietnamese society is highly intellectual and sophisticated, and as one Australian official observed, you don't get to be General-Secretary of the ruling party in Vietnam without having considerable intelligence.

You also don't get to be party leader in a one-party State that has been through the cathartic experiences of Vietnam, without substantial political steel and authority.

Keating can be a diffident and socially awkward person, but engages quickly with anyone who brings power and intellect to their arguments and it was this meeting of minds which caused seasoned foreign affairs officials from both sides - to claim they had never seen anything like it.

According to witnesses, Do Muoi soon realised he was dealing with a very unorthodox political leader and, dropping the usual protocol-driven rules which suffocate so many government-to-government meetings in Asia, engaged Keating in a blunt and frank 90-minute discussion.

From all accounts it was an extraordinary meeting—the young assertive Western leader of a multi-party developed capitalist State, describing a contemporary economic and strategic vision for the region; the 77-year-old communist chief sharing the wisdom and lessons of decades of political struggle and war.

The meeting was extended as Do Muoi and Keating spoke on topics as diverse as the need to reform the United Nations, the necessity for a strong US presence in the region to placate historical tensions, Cambodia, APEC and the advantages of privatised infrastructure development.

Despite his anger with the media over his self-inflicted brewing domestic controversy surrounding the acknowledgement of Australia's war effort in Vietnam, Keating was elated with the meeting and the genuine understandings that emerged.

In the past 12 months Keating has met all the major Asian region leaders at least once—and in several cases a number of times - as part of what is undoubtedly now his major policy and intellectual obsession: Australia's engagement with Asia.

Adopting the highly personal style that worked so successfully with Do Muoi, Keating has embarked on a mission to develop a series of significant diplomatic relationships with the influential leaders of the region.

In Bangkok he had a not-dissimilar meeting with Prime Minister Chuan Likhai and several key Thai ministers, with Chuan inviting Keating to talk to him whenever he wanted to raise any issues.

Thailand and Vietnam are the two most influential countries in Indochina and Keating gave an insight to his

thinking and regional policy strategy when on Tuesday he said he wanted to emulate with them the type of relationship he had been able to develop with Indonesia over the past two years.

Keating's successful personal courting of Indonesia's President Suharto—together with the strong links foreign ministers Gareth Evans and Ali Alatas have developed—has changed the entire atmospherics of Australia's previously fractious relationship with the archipelago.

Early on, Keating recognised the political and strategic weight of Indonesia in the region and consciously sought to build a strong personal relationship with Suharto, even using a meeting with US President Bill Clinton to impress on Clinton Suharto's influence.

Similarly, he sees Thailand and Vietnam as the two other key major players in Southeast Asia and with his unique, high-energy diplomatic style, he used his trips to the region to focus on the key leaders in both countries—which, unlike Indonesia, are not concentrated on one man.

While issues such as Mabou, the republic and the long-term unemployed remain of strong interest, it is clear that building a complex and highly integrated relationship with the Western Pacific region to ensure Australia's rightful place in the region is now Keating's major intellectual obsession.

And just as he made economic reform Canberra's preoccupation of the 1980s, Keating is making the development of economic and strategic links with Asia the government's major focus of the 1990s.

Former Prime Minister Bob Hawke also sought to build personal relationships—but they were mostly with the US and China—especially understandable in a decade where superpower rivalry still permeated foreign policy thinking.

And while Keating is bringing enormous attention to the region, it was Hawke who laid the groundwork through his interest in China and initiation of APEC and the Garnaut report on North-East Asia.

But Keating's huge policy strength is his ability to place issues in a co-ordinated framework. It is why neo-classical economics appealed to him so much and it is why he is now so preoccupied by the challenge of foreign policy—integrating the often contradictory political, economic, strategic and social elements into a cohesive strategy for the region.

And just as he was self-taught in economics, Keating is using his intense focus on the region to build from the ground up his understanding of the area and its often complex histories and rivalries.

Less than a year ago when visiting Korea, he was almost surprised to be getting questions on strategic issues and his response reflected his lack of exposure to these concerns.

Ten months later and Keating was this week lecturing the Vietnamese on why the challenge was to keep the US economically engaged in the region so as to keep its strategic focus on—and with it, stability in—the Western Pacific zone.

The key element of Keating's new regionalism is the development of a broadbased relationship with the region as possible through strong personal links with the leaders, backed by ministerial councils and visits and highly active diplomatic support.

It is unashamedly targeted at building Australia's trade and investment prospects, with the main targets those countries considered to have the most medium-to long-term economic upside such as Thailand, Vietnam and Indonesia where growth is likely to be strongest.

This also reflects a strategic view that these countries, via their population size and profile, are likely to be the significant military powers. At the same time more aid money is being used to profile Australian proficiency and to give better leverage on human rights, such as was the case in Vietnam.

But while human rights abuses and labour infringements are complained about, they are pushed as part of a broader package of what the diplomats call "constructive engagement"—which avoids the difficulties the US is facing now over the granting of trade concessions in return for improvements in human rights.

Nor does Keating allow himself to get fussed if he is dealing with a one-party autocracy—"you deal with them as they come," he said during his Indo-China visit.

This pragmatism and balance gives the policy a robustness which to date appears to be doing the trick.

Fortunately Keating is blessed with a foreign policy bureaucracy that as long ago as when Bill Hayden was Foreign Minister decided to cross the line and support Vietnam and has built an enviable reputation for activism and professionalism in the region.

However, Keating's style is not to adopt the official brief as if he is a lawyer for the bureaucratic establishment. When discussing issues with officials ahead of events on the most recent trip, he constantly asked questions, testing his hypothesis in a socratic style of analysis.

Which means that the final position is intimately Keating's, a position which one senior official this week described as having "deep roots".

It is this intensity of his purpose and the passion of Keating's mission to build Australia into the commercial and political forums and structures of the region, which

makes it plain silly to characterise his "new regionalism" as just another leader getting his kicks from playing international statesman.

Indeed, the aim is to develop a situation whereby so familiar are the relations at both leader, ministerial and official level that visits can be classed as working visits, with far less formality, such as occurred with Suharto when Keating returned from CHOGM [Commonwealth Heads of Government Meeting] in spring last year.

All he has to do is keep his ever-acerbic tongue under control.

Bureau To Help Clean Up Chinese Waste Sites

BK2104041894 Melbourne Radio Australia in English 0100 GMT 21 Apr 94

[Text] Australia and China have launched a joint project to help clean up China's mine waste sites which take up more than 20,000 square kilometers—about one third of the size of Tasmania.

Australian International Development Assistance Bureau has allocated Australian \$3.5 million to fund the four-year technical assistance program.

Project involved technology transfers and would also identify health risks to nearby communities. It will be based at the Beijing Central Institute of Mining and Metallurgy and the field work will begin at two experimental sites—the (Shiochaoyang) Mine in Jiangxi Province and the (Tongling) Mine in Anhui Province.

Keating: Facilities Planned in Papua New Guinea

BK2404121794 Melbourne Radio Australia in English 1100 GMT 24 Apr 94

[Text] Australia is putting \$1.5 million towards new facilities at (Kakoda) in Papua New Guinea [PNG]. The prime minister, Paul Keating, says Australia and the PNG Government will jointly build facilities expected to include a new airport terminal and a medical center. Mr. Keating says the facilities will commemorate the sacrifices made by both countries during bloody Second World War battles with Japanese forces. He has paid tribute to Australian personnel who served at (Kakoda) and praised the unquestioning help, courage, and selfless humanitarianism of Papua New Guineans.

New Zealand

McKinnon 'Reluctant' To Send Troops to Bosnia

BK2104055494 Hong Kong AFP in English 0233 GMT 21 Apr 94

[Text] WELLINGTON, April 21 (AFP)—Foreign minister Don McKinnon said Thursday he was reluctant to send New Zealand troops to join the United Nations in Bosnia because on the two previous occasions New Zealand forces had gone to war in Europe this century they had taken "enormous losses".

On Wednesday, Prime Minister Jim Bolger said the government would be prepared to send troops, but there would be no hasty decisions and any contribution to UN forces would be "very modest".

Three New Zealand soldiers are currently with UN forces in Bosnia.

He told reporters the UN had [word indistinct] for about 10,000 troops from its member nations and so far 3,500 had been committed.

"They will be coming back for the remainder of the 10,000. New Zealand has of course been included in that general call for troops."

But in Japan, McKinnon told Radio New Zealand he did not support sending New Zealand troops to fight in a civil war in Bosnia, but saw a future role for them as peacekeepers.

"I said more than a year ago when this question was raised that I would be very reluctant to recommend to my cabinet colleagues that New Zealand commit itself to another land war in Europe," he said. "We've been there twice in this century, we've taken enormous losses in that time."

McKinnon said he was more concerned about New Zealand playing its role as current president of the UN Security Council to establish a settlement.

"Ultimately that may mean a request for peacekeeping troops; that's quite a different exercise," he said. "But (at the moment) we are in between. We haven't got peace; we've still got a civil war there."

McKinnon said he believed New Zealanders did not really want to see New Zealand troops there fighting a war.

New Zealand suffered heavy casualties during both world wars this century.